CENTRAL STATISTICAL OFFICE

CSO Economic Trends

ARTICLES

National income and expenditure in the first quarter of 1978

New price indices for construction output statistics

No 297
July 1978
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Release dates of economic statistics to be published in August 1978

This list is published by the Government Statistical Service as a guide to the dates of publication of major economic series in August. The dates are those which Departments, or other organisations concerned, are aiming at, and would normally expect to meet. Exceptionally, there may be a delay resulting from unavoidable statistical problems of collection and compilation. Further enquiries about individual series should be addressed to the source named.

Publication date	Series	Method of release	Source
August 1978			
Tues 1	CBI Industrial Trends Survey (July)	PN	CBI
Wed 2	UK official reserves (July)	PN	HM Treasury
	Capital issues and redemptions (during the month of July)	PN	Bank of England
Thurs 3	Building society house prices and mortgage advances (2nd qtr)	PN	D of the Environment
Mon 7	Retail sales (June—final)	PN	D of Trade
	Wholesale price index numbers (July—provisional)	PN	D of Industry
	Slum clearance (2nd qtr)		
	Housing starts and completions (June)	PN	D of the Environment
	House renovations—work completed	PN	D of the Environment
	Hire purchase and other instalment credit business (June)	PN	D of Trade
Tues 8	London clearing banks' monthly statement (mid-July)	PN	CLCB
	UK banks' eligible liabilities, reserve assets, reserve ratios and special deposits (mid-July)	PN	Bank of England
Wed 9	Central government financial transactions (including borrowing requirement) (July)	PN	HM Treasury
Thurs 10	Finished steel consumption and stock changes (2nd qtr—provisional)	PN	D of Industry
	Provisional figures of vehicle production (July)	PN	D of Industry
Fri 11	Usable steel production (July)	PN	BSC/BISPA
	Buildings societies' receipts and loans (July)	PN	BSA
Mon 14	Index of industrial production (June—provisional)	PN	CSO
	Retail sales (July—provisional)	PN	D of Trade
	Turnover of the catering trades (2nd qtr)	PN	D of Trade
	Balance of payments current account and overseas trade figures (July)	PN	D of Trade/CSO
Wed 16	Basic rates of wages and normal weekly hours (July)	PN	D of Employment
	Monthly index of average earnings (June)	PN	D of Employment
	Cyclical indicators for the UK economy (July)	PN	CSO
Thurs 17	London dollar and sterling certificates of deposit (mid-July)	PN	Bank of England
	UK banks' assets and liabilities and the money stock (mid-July)	PN	Bank of England
	Consumers' expenditure (2nd qtr—2nd preliminary estimate)	PN	CSO
	Building societies mortgage survey, 5 per cent sample survey results (2nd qtr)	PN	D of the Environment
Fri 18	Retail prices index (July)	PN	D of Employment
	Construction—new orders (June)	PN	D of the Environment
	Preliminary estimate of gross domestic product based on output data (2nd qtr)	PN	CSO
Sun 20	Department for National Savings' monthly progress report (July)	PN	D for National Savings
Mon 21	Turnover of the motor trades (2nd qtr)	PN	D of Industry
	CBI Monthly Trends Inquiry	PN	CBI
Tues 22	Unemployment (August—provisional)	PN	D of Employment
	Unfilled vacancies (August—provisional)	PN	D of Employment
Wed 23	New vehicle registrations (July)	PN	D of Transport
Thurs 24	Car and commercial vehicle production (July—final)	PN	D of Industry
	Bricks and cement production (July)	PN	D of the Environment
	Capital expenditure by the manufacturing, distributive and service industries (2nd qtr—provisional)	PN	D of Industry
	Manufacturers' and distributors' stocks (2nd qtr—provisional)	PN	D of Industry
Fri 25	Sales and orders in the engineering industries (May)	T & I	D of Industry
Thurs 31	Unemployment (July—final)	Gazette	D of Employment
	Employment in the production industries (June)	Gazette	D of Employment
	Overtime and short-time working in the manufacturing industries (June)	Gazette	D of Employment
	Stoppages of work due to industrial disputes (July)	Gazette	D of Employment
	Energy Trends	PN	D of Energy

PN—*Press Notice*   T and I—*Trade and Industry*

CENTRAL STATISTICAL OFFICE

Economic Trends

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A service of statistical information and advice is provided to Government by specialist staffs employed in the statistics divisions of individual Departments. Statistics are made generally available through their publications and further information and advice on them can be obtained from the Department concerned.

The sources of the series published in this volume and further information about them are shown in the index. Current telephone numbers of these sources as well as general information about *Economic Trends* can be obtained from the Central Statistical Office, Great George Street, London SW1P 3AQ. Telephone 01-233 6135/6193.

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Introduction

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

It contains three regular sections of tables and charts illustrating trends in the UK economy:

- 'Latest developments' presents the most up-to-date statistical information available during the month, together with a calendar of current economic events. It is important to note that data included in this section may not be wholly consistent with other sections which have gone to press earlier.
- The main section shows the movement of the key economic indicators over about the last five years. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base year for convenience of comparison.
- A further chart shows the movements of four composite indices over 19 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle, and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately the movements in all of the 18 indicators which make up the composite indices.

In addition, quarterly articles on the national accounts appear in the January, April, July and October issues, and on the balance of payments in the March, June, September and December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology. The regular 'Round-up' feature contains notes on relevant articles appearing in other publications, news of developments in economic statistics and brief synopses of any new publications.

Notes on the tables

1. The main tables and charts in this issue contain information available to the CSO on 19 July. The 'Latest developments' section may contain later information.

2. The statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.

3. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.

4. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.

Corrections to the June 1978 issue

In the article 'Summary input-output tables for 1973' the following corrections should be made:

Page 106 Table 1 *Industry and commodity balances for 1973.* Line 28, Gas, Total final output—
Delete 58·09 **Substitute** 580·9

Page 108 Table 3 *Summary industry × industry flow matrix 1973.* Line 31, Transport, column 19, Other metal goods—
Delete 57·9 **Substitute** 57·0

Symbols used:

.. not available or not meaningful

– nil or less than half the final digit shown

§ series for which measures of variability are given on page 68

† indicates that the data have been revised since last issue; the period marked is the earliest in the table to have been revised

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3

Latest developments in the economy[1]

Data available at 20 July 1978

Output

Latest estimates up to May indicate that the underlying level of industrial production has continued to rise slightly in recent months. The changing incidence of bank holidays and the introduction this year of the new holiday on 1st May have made month to month assessments particularly difficult, but the index of industrial production in the three months ending May was about 1½ per cent higher than in the previous three months. During the same period, output of the consumer goods and of the capital goods industries both showed increases of about one per cent, and output of the intermediate goods industries rose by 2 per cent.

Steel production fell a little further in June, with output being affected by industrial disputes and low overall demand, but was 4 per cent more than in June 1977. Production in the first half of 1978 was only slightly less than in the same period of 1977.

Car production in June was higher than in May, but in the second quarter as a whole was 3 per cent down on the first quarter. Production of commercial vehicles rose by 5 per cent between the two periods.

Housebuilding

In the three months March to May, housing starts were up 5 per cent on the previous three months and were one per cent more than in the same period last year. Total completions were down 4 per cent on the previous three months and were also 4 per cent less than in March to May last year.

Consumers' expenditure

Preliminary estimates suggest that the volume of consumers' expenditure rose by between ¼ and ½ per cent between the first and second quarters. Expenditure on purchases of durable goods and motor vehicles continued to rise but expenditure on food and on alcoholic drink and tobacco fell back from the high level of the previous quarter.

Provisional estimates suggest that the higher volume of retail trade recorded in May continued into June. In the second quarter, the volume of sales was some 1½ per cent more than in the first quarter.

Companies

Industrial and commercial companies are estimated to have had a financial deficit of £0·6 billion during the six months ended March 1978, the same as in the preceding six months. An increase of £0·1 billion in undistributed income net of stock appreciation was offset by higher expenditure on stockbuilding: expenditure on gross domestic fixed capital was the same in the two periods. Of the deficit of £0·6 billion in the latest six-month period, £0·5 billion occurred in the first quarter of 1978, the main changes being lower undistributed income and higher expenditure on fixed investment and stocks.

Unemployment and vacancies

The number of unemployed in the United Kingdom (excluding school leavers) increased by 6,600 in July to 1,371,300.

Vacancies notified to employment offices fell by 6,400 to 211,000.

Earnings and wage rates

Average earnings of employees in all industries and services in Great Britain increased by 12·5 per cent between May 1977 and May 1978. This estimate is based on the new series of monthly index numbers of average earnings for the whole economy (not seasonally adjusted). The older series, which is seasonally adjusted and covers the production industries and some services, rose by 0·3 per cent compared with April.

The index of basic weekly wage rates (not seasonally adjusted) rose during June, and at the end of that month was 15·1 per cent higher than a year earlier.

Prices (not seasonally adjusted)

The index of retail prices for June was 197·2 (January 1974=100). This represents an increase of 0·8 per cent on May and of 7·4 per cent on June 1977.

The wholesale price index for June for home sales of all manufactured products rose by ½ per cent over May. The increase measured over a 12-month period fell for the eleventh month running to 9 per cent in June.

The price index for materials and fuel purchased by manufacturing industry increased by ½ per cent in June but was nevertheless ¾ per cent lower than a year earlier. Sterling prices of crude oil were lower, but these were offset by higher prices for other materials. Materials purchased by the food manufacturing industries rose by ¾ per cent.

Trade and balance of payments

In the second quarter of 1978, there was a visible trade deficit of £136 million compared with the erratically large deficit of £574 million in the first quarter. A favourable movement of some £200 million in the balance on the more erratic items of trade, combined with a reduction of around £220 million in the deficit on trade in oil, largely accounted for the improvement. Export volume rose by 2 per cent (one per cent excluding the more erratic items) and import volume was down by 3½ per cent; the terms of trade index fell by ½ per cent.

The current account is estimated to have been in surplus by £224 million in the second quarter, following the erratic deficit of £305 million in the first. The surplus in June is estimated at £14 million.

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[1] All data are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

Economic Events

June

15 Romania signed an aerospace contract with Britain, which would be worth more than £300 million by 1993, for the supply and manufacture of BAC One-Eleven airliners and Rolls-Royce Spey jet engines.

22 The British National Oil Corporation made a major new North Sea oil find with its first well drilled under the latest round of licences. Initial reports indicated that there could be 250-500 million barrels of recoverable reserves.

27 The Secretary of State for Energy announced that the production of oil from the North Sea's UK sector had exceeded 1 million barrels per day in May. About 60 per cent of Britain's needs was being met by its own fields.

28 The proposed increase in the employers' National Insurance Surcharge was reduced from 2½ per cent to 1½ per cent (to take effect from October) after Mr David Steel, the Liberal leader, had told the Prime Minister that the Liberals would vote against the 2½ per cent increase in the Finance Bill report stage. The 1½ per cent rate would raise about £300 million this year – £140 million short of the total needed to offset the revenue lost to the Government in tax cuts caused by opposition votes in the Bill's committe stage.

29 Britain is to restructure the $1.5 billion Eurocurrency loan (arranged in 1977) to extend the repayment date and reduce the cost of interest.

It was announced that the Government would bring forward proposals at the report stage of the Finance Bill to extend the rights of married women to receive their own repayments of PAYE and to remove certain sex discriminatory features of minor personal allowances.

30 The Top Salaries Review Body (Chairman, Lord Boyle) published its Tenth Report (Cmnd. 7253) recommending appropriate salaries from 1 April 1978; on average 35 per cent above current salaries but correcting anomalies which had lasted up to six and a half years. The Prime Minister announced on 4 July that the Government had accepted the recommendations in full, but that the increases should be paid in three stages – a 10 per cent increase from 1 January 1978 and the rest on 1 April 1979 and 1 April 1980. Those covered include Chairmen and members of the nationalised industries and senior civil servants.

July

4 The British Steel Corporation announced losses of £443 million in 1977-78.

5 Proposals for a simpler Price Code to guide the Price Commission's investigations into prices were published in a consultative document.

6 European Community heads of government met in a 2-day European Council at Bremen. They agreed to implement the study of plans for a new European monetary system designed to promote currency stability and closer economic integration within the EEC. A final scheme would be put to the meeting of the European Council on 4 and 5 December for decision and commitment.

10 The total number of civil servants in the year to 1 April 1978 fell by 10,000, the major cuts being in the Ministry of Defence.

12 The effects of the introduction of a lower rate of tax (of 25 per cent on the first £750 of taxable income) and changes in the bands of income chargeable at the basic and higher rates, will be seen in pay packets on the first pay day after July 12, when refunds backdated to 6 April will be made. For an employee paying tax at the basic rate the July rebate will be £18.17, and the weekly reduction in tax thereafter will be £1.30.

13 The Finance Bill completed its report stage in the Commons.

16-17 The economic summit of the seven leading industrial nations (United States, Canada, Germany, France, Britain, Italy and Japan plus the President of the EEC Commission) was held in Bonn.

Selected monthly indicators[1]

		Seasonally adjusted					Unadjusted				Seasonally adjusted			
		1971 =100	Thousands	1970 =100	Thousands		Jan. 1976 =100	1970 =100	Jan. 1974 =100	December 1971 =100	£ million			
											Balance of payments current account			
		Volume of retail sales (GB)[2], [3] §	New registrations of cars (GB) §	Index of industrial production[4] §	Unemployment[5] §	Vacancies[6] §	Average earnings New series (whole economy: GB)	Wholesale prices of materials and fuel[7]	General index of retail prices (all items)	Sterling effective exchange rate	Exports (f.o.b.) §	Imports (f.o.b.) §	Current balance	Money stock sterling M3
1976	J	107·7	92·1	100·9	1,285·6	120·4	107·6	302·0	156·3	65·1	2,063	2,534	−304†	38,160
	A	107·4	108·6	100·2	1,304·5	126·3	107·8	304·0	158·5	64·8	2,204	2,470		38,800
	S	106·8	89·7	101·5	1,310·3	128·3	108·3	314·4	160·6	62·5	2,232	2,592		39,470
	O	105·9	107·0	102·5	1,305·9	126·5	108·5	327·7	163·5	59·2	2,335	2,626	−279	39,730
	N	106·6	120·5	103·0	..	.. [8]	110·6	331·8	165·8	59·1	2,314	2,757		40,300
	D	105·2	109·9	103·2	1,320·3[9]	.. [8]	111·3	330·2	168·0	60·5	2,448	2,675		40,200
1977	J	104·5	94·7	103·3	1,329·9	.. [8]	110·9	337·8	172·4	61·8	2,481	2,991	−493	39,670
	F	104·0	112·7	103·2	1,330·0	148·8	111·0	339·5	174·1	61·7	2,479	2,663		39,460
	M	101·7	103·8	103·1	1,328·5	154·0	113·3	347·2	175·8	61·9	2,542	2,795		39,560
	A	102·3	106·0	102·2	1,333·8	155·5	113·1	349·7	180·3	61·7	2,591	2,759	−365	40,330
	M	103·2	107·8	103·3†	1,323·8	159·4	114·9	348·3	181·7	61·6	2,590	2,869		40,660
	J	102·1	95·3	100·3	1,364·3	158·1	115·4	345·2	183·6	61·5	2,749	3,066		40,960
	J	104·8	112·6	102·9	1,398·5	155·2	116·2	344·5	183·8	61·0	2,793	2,955	+537	41,320
	A	104·7	116·4	102·8	1,410·3	153·4	115·7	338·8	184·7	62·0	2,851	2,690		41,290
	S	103·5	107·1	102·7	1,434·9	147·2	116·6	338·1	185·7	62·4	2,896	2,841		41,990
	O	102·7	116·1	102·0	1,431·5	156·0	117·9	333·8	186·5	62·5	2,756	2,703	+486	42,550
	N	103·1	108·3	102·0	1,429·6	159·4	120·1	329·9	187·4	63·6	2,668	2,600		42,840
	D	106·9	104·2	102·9	1,422·3	165·0	121·7	328·0	188·4	63·8	2,780	2,856		43,250
1978	J	104·9	124·8	102·9	1,419·2	180·3	121·5	324·9	189·5	66·0	2,623	2,961	−305	44,280
	F	106·8	119·8	103·6	1,409·0	187·0	122·7	324·2	190·6	66·0	2,989	2,946		45,340
	M	107·0	142·5	103·4	1,400·0	195·8	125·0	331·0	191·8	64·1	2,829	3,108		45,640†
	A	106·7	131·8	105·9	1,387·1	203·7	127·2	337·4	194·6	61·8	3,000	2,812†		46,790
	M	108·4	124·2	103·9	1,366·4	209·9	129·3[10]	341·5[10]	195·7	61·5	2,877	3,095		47,200
	J				1,364·7	217·4		342·9[10]	197·2	61·3	2,926	3,032		47,350
		Percentage change, latest three months on previous three months												
1977	J	*+ 0·7*	*− 2·1*	*− 0·7*	*+ 2·4*	..	..	*+ 0·2*	*+ 3·6*	*− 0·6*	*+ 6·8*	*+ 8·2*	..	*+ 3·0*
	A	*+ 1·4*	*+ 2·1*	*− 0·9*	*+ 4·7*	*− 0·5*	..	*− 1·6*	*+ 2·8*	*− 0·4*	*+ 8·7*	*+ 3·4*	..	*+ 2·5†*
	S	*+ 1·8*	*+ 8·7*	*+ 0·9†*	*+ 5·5*	*− 3·6*	..	*− 2·1*	*+ 1·6*	*+ 0·3*	*+ 7·7*	*− 2·4*	..	*+ 2·2*
	O	*+ 0·3*	*+ 7·6*	*+ 0·3*	*+ 4·7*	*− 3·4*	..	*− 2·6*	*+ 1·4*	*+ 1·5*	*+ 4·6*	*− 7·3*	..	*+ 2·4*
	N	*− 0·6*	*+ 2·2*	*+ 0·2*	*+ 2·9*	*− 0·9*	..	*− 2·6*	*+ 1·4*	*+ 2·2*	*− 0·9*	*− 6·5*	..	*+ 3·1*
	D	*+ 0·1*	*− 2·2*	*− 0·5*	*+ 0·9*	*+ 5·4*	..	*− 2·9*	*+ 1·5*	*+ 2·4*	*− 4·1*	*− 3·9*	..	*+ 3·2*
1978	J	*+ 1·4*	*− 0·7*	*+ 0·1*	*− 0·1*	*+10·5*	..	*− 2·8*	*+ 1·5*	*+ 3·5*	*− 5·1*	*+ 2·2*	..	*+ 3·6*
	F	*+ 3·1*	*+ 5·2*	*+ 0·9*	*− 1·1*	*+15·1*	..	*− 2·5*	*+ 1·6*	*+ 3·9*	*+ 0·9*	*+ 7·6*	..	*+ 4·3*
	M	*+ 1·8*	*+17·8*	*+ 1·0*	*− 1·3*	*+17·2*	..	*− 1·2*	*+ 1·7*	*+ 3·3*	*+ 2·9*	*+10·5*	..	*+ 5·1†*
	A	*+ 1·6*	*+16·8*	*+ 1·7*	*− 1·8*	*+16·2*	..	*+ 1·0*	*+ 2·1*	*− 0·8*	*+ 9·2*	*+ 5·3†*	..	*+ 5·7*
	M	*+ 1·1*	*+14·2*	*+ 1·2*	*− 2·3*	*+14·5*	..	*+ 3·4[10]*	*+ 2·4*	*− 4·3*	*+ 3·7*	*+ 2·9*	..	*+ 5·1*
	J				*− 2·6*	*+12·1*	..	*+ 4·3[10]*	*+ 2·7*	*− 5·9*	*+ 4·3*	*− 0·8*	..	*+ 4·5*
		Percentage change, latest three months on corresponding period of previous year												
1977	J	*− 3·2*	*+ 8·4*	*+ 0·7*	*+ 7·1*	*+33·3*	*+ 8·4*	*+16·2*	*+17·5*	*− 5·7*	*+29·9*	*+20·5*	..	*+ 7·1*
	A	*− 3·2*	*+ 9·3*	*+ 1·2*	*+ 8·1*	*+28·7*	*+ 7·9*	*+13·6*	*+17·3*	*− 5·0*	*+31·2*	*+16·9*	..	*+ 7·0*
	S	*− 2·8*	*+15·1*	*+ 1·9†*	*+ 8·8*	*+21·5*	*+ 7·7*	*+11·0*	*+16·6*	*− 3·7*	*+31·4*	*+11·7*	..	*+ 7·0†*
	O	*− 2·9*	*+10·1*	*+ 1·1*	*+ 9·1*	*+19·8*	*+ 7·9*	*+ 6·9*	*+15·3*	*+ 1·5*	*+25·6*	*+ 7·2*	..	*+ 6·6*
	N	*− 3·2*	*+ 5·8*	*− 0·1*	..	..	*+ 8·3*	*+ 2·9*	*+14·2*	*+ 4·0*	*+20·9*	*+ 2·1*	..	*+ 6·6*
	D	*− 1·4*	*− 2·4*	*− 0·6*	..	..	*+ 8·9*	*+ 0·2*	*+13·1*	*+ 6·2*	*+15·6*	*+ 1·3*	..	*+ 7·0*
1978	J	*− 0·3*	*+ 3·9*	*− 0·5*	..	..	*+ 9·2*	*− 1·7*	*+11·7*	*+ 6·6*	*+11·4*	*− 0·1*	..	*+ 8·5*
	F	*+ 1·6*	*+ 9·9*	*− 0·1*	*+ 6·8*	..	*+ 9·8*	*+ 3·0*	*+10·5*	*+ 6·4*	*+13·3*	*+ 5·2*	..	*+11·3*
	M	*+ 2·9*	*+24·3*	*+ 0·1*	*+ 6·0*	..	*+10·1*	*− 4·3*	*+ 9·5*	*+ 5·8*	*+12·5*	*+ 6·7*	..	*+14·0*
	A	*+ 4·1*	*+22·2*	*+ 1·4*	*+ 5·1*	*+28·0*	*+11·1*	*− 4·2*	*+ 8·8*	*+ 3·6*	*+15·8*	*+ 7·5*	..	*+15·4†*
	M	*+ 4·9*	*+25·4*	*+ 1·5*	*+ 4·2*	*+30·0*	*+11·8[10]*	*− 3·4[10]*	*+ 8·2*	*+ 1·2*	*+12·7*	*+ 7·0*	..	*+15·8*
	J				*+ 2·4*	*+33·4*		*− 2·1[10]*	*+ 7·7*	*− 0·1*	*+11·0*	*+ 2·8*	..	*+15·9*

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[1] Data given may not be wholly consistent with that shown elsewhere in the publication.

[2] This index is given to one decimal place but this does not imply that it can be regarded as accurate to the last digit shown.

[3] See footnote [2] on page 12. [4] All industries covered. [5] Unemployed excluding school-leavers.

[6] Vacancies notified to employment offices. [7] Purchased by manufacturing industry.

[8] Figure not available due to industrial action.

[9] Owing to industrial action by some Department of Employment staff the provisional estimate is based on returns or estimates received from only just over half the country. [10] Provisional.

Tables and charts

Gross domestic product at factor cost, total home costs and national disposable income revalued at 1970 market prices[1, 2]

Seasonally adjusted

		Gross domestic product at factor cost									Implied Index of total home costs	National disposable income
		At current prices				At 1970 factor cost						At 1970 market prices
		£ million		1970 = 100		£ million	1970 = 100				1970 = 100	1970 = 100
		Based on:		Based on:		Based on:	Based on:				Based on:	
		expenditure data	income data	expenditure data	income data	expenditure data	expenditure data §	income data[3] §	output data §	Average estimate §	expenditure data	Average estimate
1967		34,941	34,518	80·6	78·9	40,332	93·1	91·0	92·5	92·2	86·6	91·9
1968		37,416	37,177	86·4	85·0	41,746	96·3	94·8	96·4	95·9	89·6	94·8
1969		39,402	39,843	90·9	91·1	42,471	98·0	98·1	98·3	98·2	92·8	97·4
1970		43,327	43,756	100·0	100·0	43,327	100·0	100·0	100·0	100·0	100·0	100·0
1971		49,201	48,885	113·6	111·7	44,488†	102·7	101·0	101·5	101·7	110·6	102·2
1972		54,986	55,343	126·9	126·5	45,060	104·0	103·6	104·4	104·0	122·0	105·0
1973		63,581	63,271	146·7	144·6	48,353	111·6	110·0	110·7	110·8	131·5	110·1
1974		73,656	72,463	170·0	165·6	47,757	110·2	107·4†	109·6	109·1	154·1†	104·4
1975		92,926†	92,569	214·5	211·6	46,811	108·0†	106·6	107·4	107·3†	198·6	104·3†
1976		109,104	108,097	251·8†	247·0	48,270	111·4	109·3	108·7	109·8	226·0	106·8
1977		122,564	122,421	282·9	279·8†	48,437	111·8	110·6	110·4†	110·9	253·0	107·8
1973	*1*	15,741†	15,199†	145·3†	138·9†	12,350†	114·0†	109·0	110·6	111·2	127·5	110·8
	2	15,461	15,624	142·8	142·8	12,085	111·6	111·7	110·2	111·2	127·9	
	3	16,034	16,065	148·0	146·9	12,024	111·0	110·2	111·2	110·8	133·4†	109·4
	4	16,345	16,383	150·9	149·8	11,894	109·8	109·0	111·0	109·9	137·4	
1974	*1*	16,591	15,760	153·2	144·1	11,591	107·0	100·8†	107·5	105·1†	143·1	103·0
	2	17,523	17,189	161·8	157·1	12,063	111·4	108·3	110·4	110·0	145·3	
	3	19,565	19,281	180·6	176·3	12,243	113·0	110·4	111·3	111·6	159·8	105·9
	4	19,977	20,233	184·4	184·9	11,860	109·5	110·0	109·3	109·6	168·4	
1975	*1*	21,728	21,374	200·6	195·4	11,919	110·0	107·2	109·2	108·8	182·3	104·5
	2	22,679	22,547	209·4	206·1	11,742	108·4	106·8	107·3	107·5	193·2	
	3	23,612	23,700	218·0	216·7	11,522	106·4	105·8	106·4	106·2	204·9	104·1
	4	24,907	24,948	229·9	228·0	11,628	107·4	106·5	106·8	106·9	214·2	
1976	*1*	25,944	25,346	239·5	231·7	12,067	111·4	107·8	108·1	109·1	215·0	106·3
	2	26,673	26,533	246·3	242·6	11,969	110·5	108·9	108·4	109·3	222·9	
	3	27,759	27,575	256·3	252·1	12,036	111·1	109·3	108·3	109·6	230·6	107·4
	4	28,728	28,643	265·2	261·8	12,198	112·6	111·2	110·2]	111·3	235·5	
1977	*1*	29,310	29,227	270·6	267·2	12,035	111·1	109·7	110·6	110·5	243·6	106·6
	2	29,889	30,054	275·9	274·7	12,120	111·9	111·4	109·5	110·9	246·6	
	3	31,338	31,228	289·3	285·5	12,152	112·2	110·7	110·6	111·1	257·9	109·1
	4	32,027	31,912	295·7	291·7	12,130	112·0	110·5	111·1	111·2	264·0	
1978	*1*	33,053	32,910	305·2	300·9	12,227	112·9	111·3	112·0	112·1	270·3	. .
		Percentage change, period on corresponding period of previous year										
1976	*1*	*+19·4*	*+18·6*	*+19·4*	*+18·6*	*+1·2*	*+1·3*	*+0·6*	*−1·0*	*+0·3*	*+17·9*	*+1·7*
	2	*+17·6*	*+17·7*	*+17·6*	*+17·7*	*+1·9*	*+1·9*	*+2·0*	*+1·0*	*+1·7*	*+15·4*	
	3	*+17·6*	*+16·4*	*+17·6*	*+16·3*	*+4·5*	*+4·4*	*+3·3*	*+1·8*	*+3·2*	*+12·5*	*+3·2*
	4	*+15·3*	*+14·8*	*+15·4*	*+14·8*	*+4·9*	*+4·3*	*+4·4*	*+3·2*	*+4·1*	*+ 9·9*	
1977	*1*	*+13·0*	*+15·3*	*+13·0*	*+15·3*	*−0·3*	*−0·3*	*+1·8*	*+2·3*	*+1·3*	*+13·3*	*+0·3*
	2	*+12·1*	*+13·3*	*+12·0*	*+13·2*	*+1·3*	*+1·3*	*+2·3*	*+1·0*	*+1·5*	*+10·6*	
	3	*+12·9*	*+13·2*	*+12·9*	*+13·2*	*+1·0*	*+1·0*	*+1·3*	*+2·1*	*+1·4*	*+11·8*	*+1·6*
	4	*+11·5*	*+11·4*	*+11·5*	*+11·4*	*−0·6*	*−0·5*	*−0·6*	*+0·8*	*−0·1*	*+12·1*	
1978	*1*	*+12·8*	*+12·6*	*+12·8*	*+12·6*	*+1·6*	*+1·6*	*+1·5*	*+1·3*	*+1·4*	*+11·0*	

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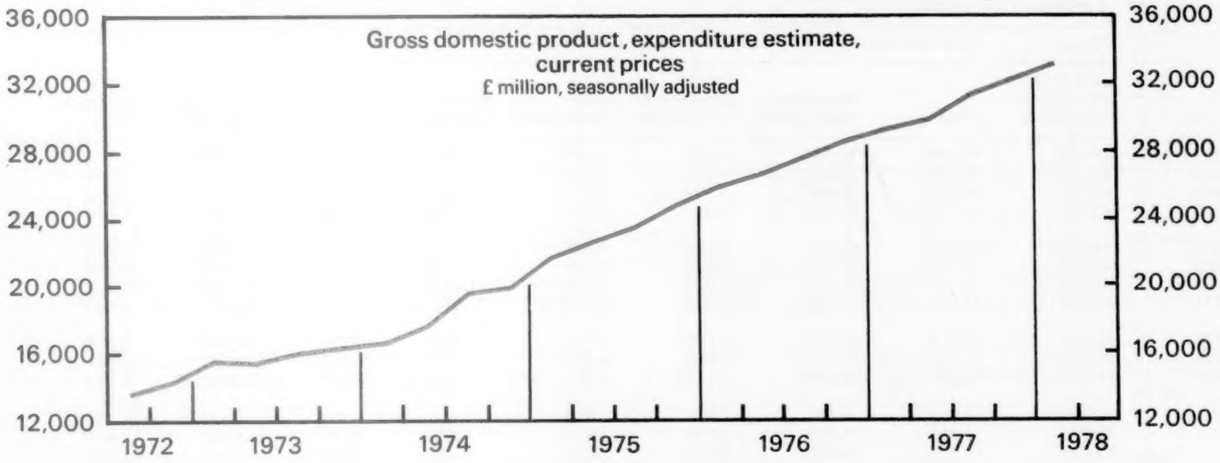
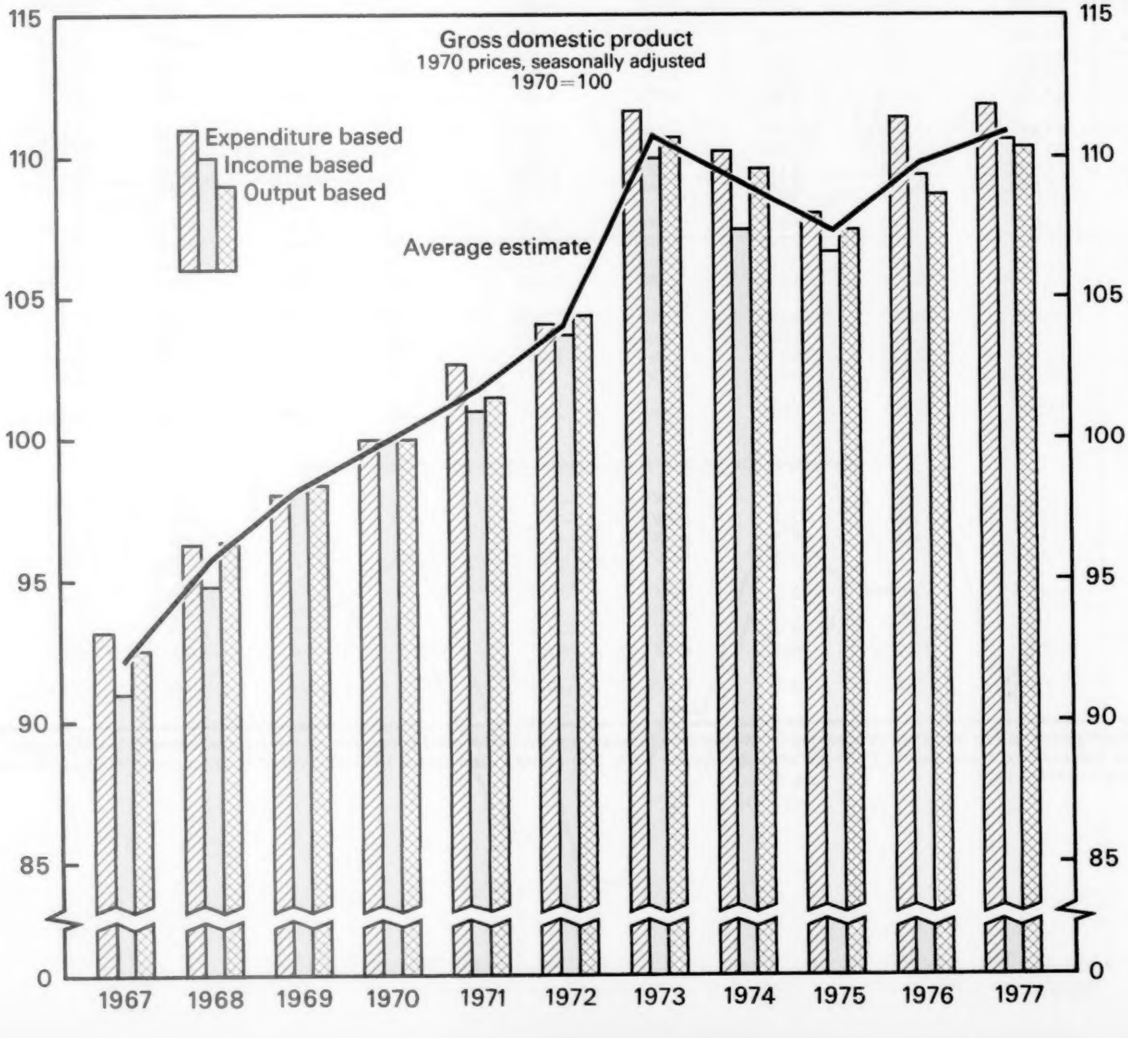
[1] The index numbers are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.

[2] Introduced in an article on page xxviii *Economic Trends* January 1975.

[3] Income data deflated by the implied index of total home costs.


Gross domestic product, expenditure estimate, current prices
£ million, seasonally adjusted
36,000
32,000
28,000
24,000
20,000
16,000
12,000
1972
1973
1974
1975
1976
1977
1978


Gross domestic product
1970 prices, seasonally adjusted
1970=100
Expenditure based
Income based
Output based
Average estimate
115
110
105
100
95
90
85
0
1967
1968
1969
1970
1971
1972
1973
1974
1975
1976
1977

8

Expenditure on the gross domestic product

Seasonally adjusted

£ million, 1970 prices

		Gross domestic product at factor cost (expenditure based)	Final expenditure on goods and services at market prices						Imports of goods and services[1] §	Adjustment to factor cost
			Total	Consumers' expenditure §	General government consumption	Gross fixed investment[1] §	Stock building §	Exports of goods and services §		
1967		40,332	56,949	29,942	8,973	8,780	390	8,864	9,502	7,115
1968		41,746	59,240	30,674	9,004	9,182	482	9,898	10,216	7,278
1969		42,471	60,282	30,888	8,836	9,216	480	10,862	10,559	7,252
1970		43,327	61,967	31,668	8,964	9,453	416	11,466	11,101	7,539
1971		44,488†	63,965†	32,677	9,228	9,625	112	12,323†	11,660†	7,817
1972		45,060	66,316	34,519	9,626	9,636	35	12,500	12,840	8,416
1973		48,353	71,717	36,132	10,020	10,233	1,365	13,967	14,393	8,971
1974		47,757	71,293	35,682	10,233	10,001	561	14,816	14,681	8,855†
1975		46,811	69,218	35,269	10,794	9,640	— 842	14,357	13,689	8,718
1976		48,270	71,428	35,406	11,050	9,444	97	15,431	14,207	8,951
1977		48,437	72,220	35,116†	11,057†	9,087†	444†	16,516	14,858	8,925
1973	*1*	12,350†	18,014†	9,091	2,489	2,635	462	3,337†	3,439	2,225†
	2	12,085	17,819	8,965	2,498	2,512	424	3,420	3,502	2,232
	3	12,024	17,937	9,061	2,513	2,533	262	3,568	3,649	2,264
	4	11,894	17,947	9,015	2,520	2,553	217	3,642	3,803	2,250
1974	*1*	11,591	17,458	8,848	2,544	2,604	— 149	3,611	3,623	2,244
	2	12,063	17,942	8,867	2,529	2,428	341	3,777	3,730	2,149
	3	12,243	18,164	8,993	2,555	2,454	371	3,791	3,696	2,225
	4	11,860	17,729	8,974	2,605	2,515	— 2	3,637	3,632	2,237
1975	*1*	11,919	17,549	8,995	2,656	2,433	— 197	3,662	3,428	2,202
	2	11,742	17,224	8,901	2,671	2,392	— 241	3,501	3,314	2,168
	3	11,522	17,186	8,731	2,721	2,459[1]	— 224	3,499	3,490	2,174
	4	11,628	17,259	8,642	2,746	2,356	— 180	3,695	3,457	2,174
1976	*1*	12,067	17,643	8,806	2,746	2,378	— 1	3,714	3,380†	2,196
	2	11,969	17,709	8,793	2,775	2,346[1]	— 12	3,807	3,529	2,211
	3	12,036	17,925	8,879	2,769	2,377[1]	5	3,895	3,642	2,247
	4	12,198	18,151	8,928	2,760	2,343	105	4,015	3,656	2,297
1977	*1*	12,035	18,000	8,758	2,750	2,259†	234†	3,999	3,750	2,215
	2	12,120	18,024	8,639†	2,762	2,292	229	4,102	3,728	2,176
	3	12,152	18,131	8,829	2,764	2,265	— 30	4,303	3,718	2,261
	4	12,130	18,065	8,890	2,781	2,271	11	4,112	3,662	2,273
1978	*1*	12,227	18,552	9,084	2,790	2,245	249	4,184	3,985	2,340
					Percentage change, quarter on corresponding quarter of previous year					
1976	*1*	*+1·2*	*+0·5*	*−2·1*	*+3·4*	*−2·3*	..	*+1·4*	*−1·4*	*−0·3*
	2	*+1·9*	*+2·8*	*−1·2*	*+3·9*	*−1·9*	..	*+8·7*	*+6·5*	*+2·0*
	3	*+4·5*	*+4·3*	*+1·7*	*+1·8*	*−3·3*	..	*+11·3*	*+4·4*	*+3·4*
	4	*+4·9*	*+5·2*	*+3·3*	*+0·5*	*−0·6*	..	*+8·7*	*+5·8*	*+5·7*
1977	*1*	*−0·3*	*+2·0*	*−0·5*	*+0·1*	*−5·0*	..	*+7·7*	*+10·9*	*+0·9*
	2	*+1·3*	*+1·8*	*−1·8*	*−0·5*	*−2·3*	..	*+7·7*	*+5·6*	*−1·6*
	3	*+1·0*	*+1·1*	*−0·6*	*−0·2*	*−4·7*	..	*+10·5*	*+2·1*	*+0·6*
	4	*−0·6*	*−0·5*	*−0·4*	*+0·8*	*−3·1*	..	*+2·4*	*+0·2*	*+1·0*
1978	*1*	*+1·6*	*+3·1*	*+3·7*	*+1·5*	*−0·6*		*+4·6*	*+6·3*	*+5·6*

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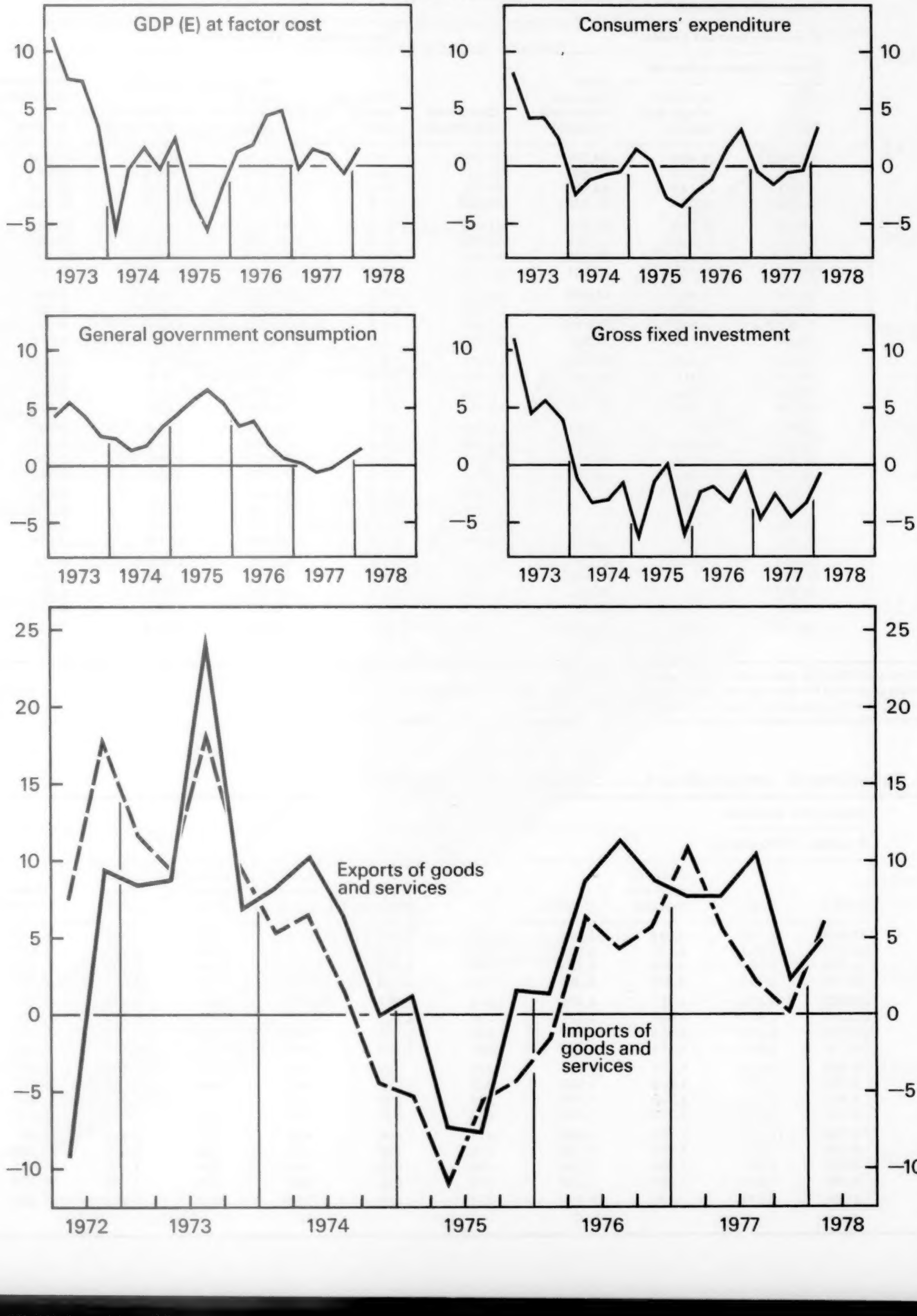
[1] Including extra capital formation in imported oil platforms and related equipment delivered during the quarter but not adjusted for seasonality. The extra deliveries are approximately £100 million in 3rd quarter 1975, £60 million in 2nd quarter 1976, £50 million in 3rd quarter 1976 and £90 million in 2nd quarter of 1977.

1970 prices, seasonally adjusted, percentage change on year earlier



GDP (E) at factor cost

Consumers' expenditure

General government consumption

Gross fixed investment

Personal disposable income and consumption

Seasonally adjusted

		£ million, current prices				Percentage	1970 prices		
		Personal income before tax		Total personal disposable income[2]	Consumers' expenditure	Personal saving ratio[3]	Real personal disposable income[4]		Real consumers' expenditure §
		Total[1]	*of which:* Wages and salaries				£ million §	1970=100	£ million
1970		43,313	26,984	34,775	31,668	8·9	34,775	100·0	31,668
1971		47,953	29,673	38,681	35,411	8·5	35,695	102·6	32,677
1972		54,532	33,141	44,550	39,929	10·4	38,514	110·7	34,519
1973		63,098†	38,024	51,289†	45,204	11·9	40,996†	117·9	36,132
1974		76,142	45,856	60,626	51,962	14·3	41,632	119·7†	35,682
1975		96,879	59,300	74,847	63,303	15·4	41,701	119·9	35,269
1976		112,404	67,185	86,293	73,424	14·9	41,612	119·6	35,406
1977		125,154	73,765	97,251	83,204†	14·4†	41,045	118·0	35,116†
1973	*1*	14,885	8,950	12,056	10,994	8·8	9,973	114·7	9,091
	2	15,680	9,447	12,757	11,044	13·4	10,359	119·2†	8,965
	3	15,977†	9,688	13,015†	11,433	12·2	10,318	118·7	9,061
	4	16,556	9,939	13,461	11,733	12·8	10,346	119·0	9,015
1974	*1*	17,203	10,182	13,862	12,025	13·3†	10,207	117·4	8,848
	2	18,082	10,913	14,483	12,652	12·6	10,158	116·8	8,867
	3	19,698	11,861	15,633	13,368	14·5	10,524	121·1	8,993
	4	21,159	12,900	16,648	13,917	16·4	10,743	123·6	8,974
1975	*1*	22,553	13,981	17,509	14,709	16·0	10,708	123·2	8,995
	2	23,660	14,426	18,322	15,698	14·3	10,389	119·5	8,901
	3	24,906	15,237	19,219	16,241	15·5	10,332	118·8	8,731
	4	25,760	15,656	19,797	16,655	15·9	10,272	118·2	8,642
1976	*1*	26,965	16,085	20,742	17,478	15·8	10,448	120·2	8,806
	2	27,593	16,533	20,976	17,906	14·6	10,299	118·5	8,793
	3	28,384	17,053	22,048	18,646	15·4	10,497	120·7	8,879
	4	29,462	17,514	22,527	19,394	13·9	10,368	119·2	8,928
1977	*1*	30,443	17,934	23,356	19,897†	14·8	10,281	118·3	8,758
	2	30,643	18,113	23,585	20,322	13·8	10,026	115·3	8,639†
	3	31,413	18,512	24,453	21,312	12·9	10,131	116·5	8,829
	4	32,655	19,206	25,857	21,673	16·2	10,607	122·0	8,890
1978	*1*	33,709	19,880	26,315	22,611	14·1	10,572	121·6	9,084
	2								

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[1] Before providing for depreciation and stock appreciation.

[2] Before providing for depreciation, stock appreciation and additions to tax reserves.

[3] Personal saving as a percentage of personal disposable income.

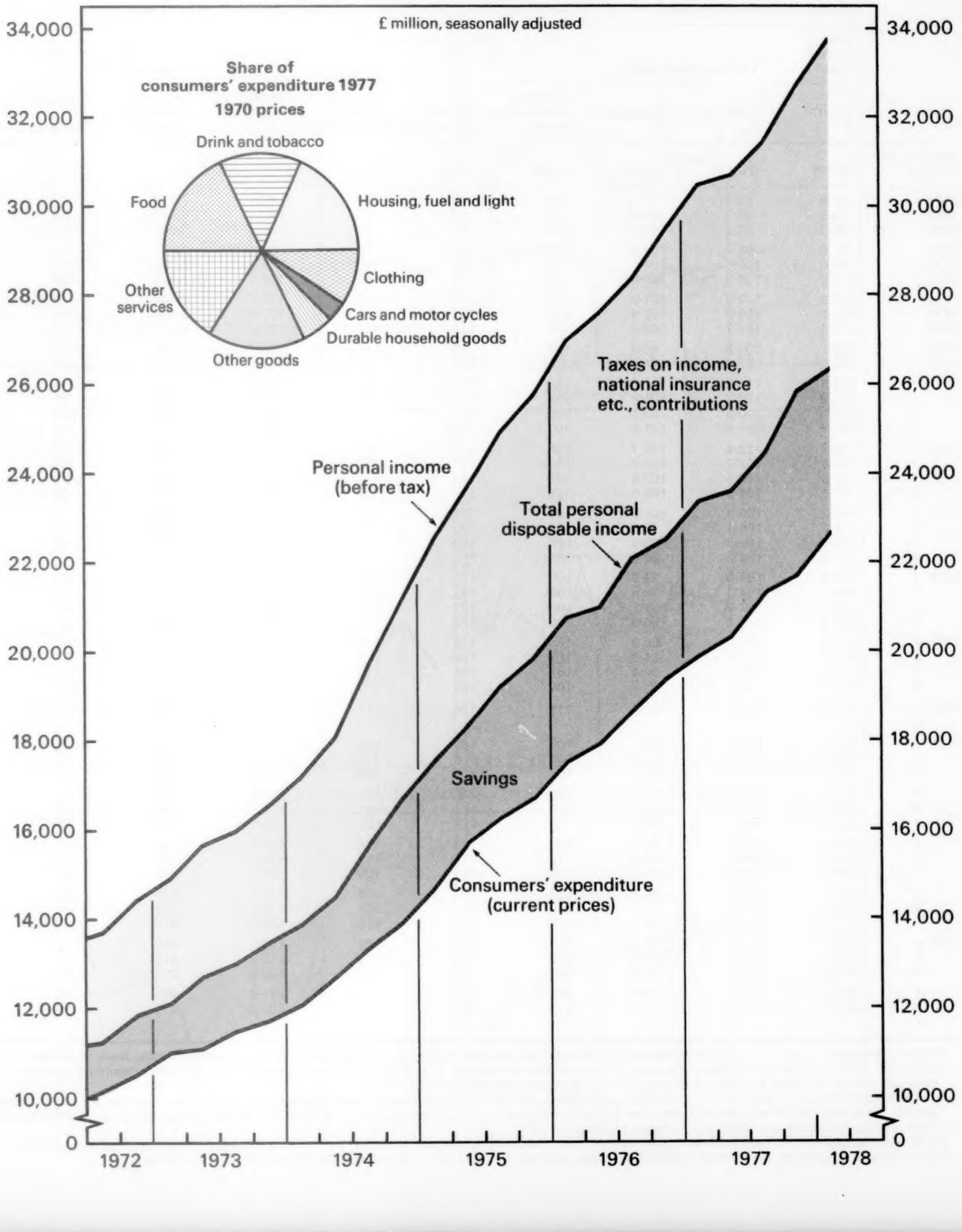
[4] Personal disposable income revalued by the implied consumers' expenditure deflator (1970=100).

Real consumers' expenditure — component categories

Seasonally adjusted

£ million, 1970 prices

		Total §	Food	Alcoholic drink and tobacco	Housing	Fuel and light	Clothing including footwear	Durable household goods	Cars and motor cycles	Other goods	Other services
1970		31,668	6,383	4,019	4,061	1,495	2,753	1,411	997	4,806	5,743
1971		32,677	6,414	4,112	4,166	1,480	2,800	1,537	1,329	4,966	5,873
1972		34,519	6,362	4,389	4,233	1,535	2,965	1,854	1,588	5,443	6,150
1973		36,132	6,460	4,854	4,394	1,574	3,114	2,074	1,515	5,865	6,282
1974		35,682	6,419	4,911	4,504	1,616	3,087	1,967	1,059	5,935	6,184
1975		35,269	6,424	4,808	4,577	1,596	3,143	1,910	1,057	5,756	5,998
1976		35,406	6,478	4,844	4,686	1,592	3,184	1,988	1,168	5,782	5,684
1977		35,116	6,399	4,719	4,786	1,636	3,263	1,958	1,159	5,573	5,623
1976	*1*	8,806	1,618	1,164	1,156	421	778	487	315	1,445	1,422
	2	8,793	1,615	1,208	1,168	383	795	492	269	1,441	1,422
	3	8,879	1,634	1,240	1,178	379	805	503	274	1,444	1,422
	4	8,928	1,611	1,232	1,184	409	806	506	310	1,452	1,418
1977	*1*	8,758	1,594	1,153	1,183	411	806	478	313	1,429	1,391
	2	8,639	1,608	1,160	1,193	426	786	471	248	1,351	1,396
	3	8,829	1,553	1,206	1,200	403	835	504	298	1,399	1,431
	4	8,890	1,644	1,200	1,210	396	836	505	300	1,394	1,405
1978	*1*	9,084	1,633	1,271	1,208	427	853	539	362	1,406	1,385
	2										


£ million, seasonally adjusted
Share of consumers' expenditure 1977
1970 prices
Drink and tobacco
Food
Housing, fuel and light
Clothing
Cars and motor cycles
Durable household goods
Other goods
Other services
Personal income (before tax)
Taxes on income, national insurance etc., contributions
Total personal disposable income
Savings
Consumers' expenditure (current prices)
34,000
32,000
30,000
28,000
26,000
24,000
22,000
20,000
18,000
16,000
14,000
12,000
10,000
0
1972
1973
1974
1975
1976
1977
1978

12

Retail sales, new registrations of cars and hire purchase debt (Great Britain)

	Seasonally adjusted								
	Weekly average 1971=100						**Thousands**[1]	**£ million**	
	Value of retail sales[2]	Volume of retail sales[2]						Hire purchase and other instalment credit[3, 4]	
	Total[5] §	Total[5] §	Food shops[5] §	Clothing and footwear shops §	Durable goods shops §	Other non-food shops §	New registrations of cars §	New credit extended	Changes in debt outstanding
Sales in 1971 £ million	*16,296*	*16,296*	*6,866*	*2,436*	*1,897*	*5,097*			
1967	73·8	92·7	97·4	89	84	92	93·1	1,556	− 40
1968	79·3	95·7	98·9	93	89	95	93·1	1,643	+ 46
1969	84·0	96·2	100·5	93	87	95	82·3	1,587	− 20
1970	91·0	98·4	101·1	97	91	98	91·4	1,775	+ 84
1971	100·0	100·0	100·0	100	100	100	108·5	2,036	+251
1972	112·0	105·3	101·6	104	113	108	138·6	2,466	+438
1973	126·9	110·3	101·6	108	127	117	137·1	2,846	+444
1974	146·7	109·0	102·4	106	122	115	102·8	2,508	−164
1975	174·4	106·7	100·0	106	119	111	97·2	2,981	− 13
1976	200·1	106·5	98·7	106	122	111	104·7	3,586	+343
1977	228·0	103·6	94·8	105	119	109	107·1	4,392	+625
1973 *1*	122·9	111·0	101·2	114	129	116	147·3	739	+169
2	122·8	108·8	101·6	105	124	114	137·7	681	+ 89
3	128·2	110·3	102·1	106	127	117	138·8	718	+102
4	133·9	110·9	101·5	107	129	119	124·8	708	+ 84
1974 *1*	136·2	108·4	100·7	105	120	116	102·6	568	− 59
2	141·8	107·7	102·0	103	119	113	104·9	615	− 52
3	151·0	110·3	103·9	108	124	115	106·6	651	− 28
4	158·0	109·8	103·1	106	126	115	100·6	674	− 25
1975 *1*	165·2	109·5	101·7	109	126	114	104·2	710	− 6
2	175·0	108·5	99·9	106	130	113	93·5	752	+ 9
3	176·6	104·3	98·9	105	110	109	102·9	749	− 9
4	181·5	104·2	99·3	103	110	109	88·4	770	− 7
1976 *1*	189·6	105·9	99·5	105	117	111	102·7	833	+ 37
2	196·1	106·9	99·6	106	122	111	106·7	872	+ 79
3	203·4	107·3	99·1	106	125	112	96·8	913	+100
4	211·4	105·9	96·6	105	124	112	112·5	968	+127
1977 *1*	216·4	103·3	94·9	105	116	109	103·8	1,007	+144
2	222·0	102·5	94·7	101	118	108	103·0	1,047	+136
3	234·2	104·3	94·4	107	121	110	112·0	1,149	+186
4	239·4	104·4	95·3	109	121	109	109·5	1,189	+159
1978 *1*	246·0	106·3	96·6	110	125	111	129·0	1,260	+245
2									
1977 *J*	215·7	104·5	95·2	106	121	110	94·7	323	+ 40
F	217·4	104·0	95·2	105	118	110	112·7	339	+ 52
M	216·1	101·7	94·4	103	109	108	103·8	345	+ 52
A	219·9	102·3	94·3	101	118	107	106·0	346	+ 48
M	222·9	103·2	95·0	104	117	109	107·8	356	+ 46
J	222·9	102·1	94·7	99	118	107	95·3	345	+ 42
J	231·5	104·8	94·3	107	125	110	112·6	360	+ 51
A	235·8	104·7	94·4	110	118	111	116·4	402	+ 75
S	235·0	103·5	94·4	106	121	108	107·1	387	+ 60
O	234·2	102·7	94·2	103	120	108	116·1	378	+ 45
N	236·3	103·1	93·9	107	118	108	108·3	401	+ 53
D	246·0	106·9	97·3	114	125	110	104·2	410	+ 61
1978 *J*	241·0	104·9	95·1	105	129	109	124·8	429	+ 85
F	246·5	106·8	96·8	109	130	111	119·8	418	+ 82
M	249·8	107·0	97·6	115	117	112	142·5	413	+ 78
A	250·3	106·7	96·5	108	132	111	131·8	463	+ 93
M	255·2	108·4	98·9	113	126	112	124·2	471	+ 82
J									

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[1] Monthly averages.

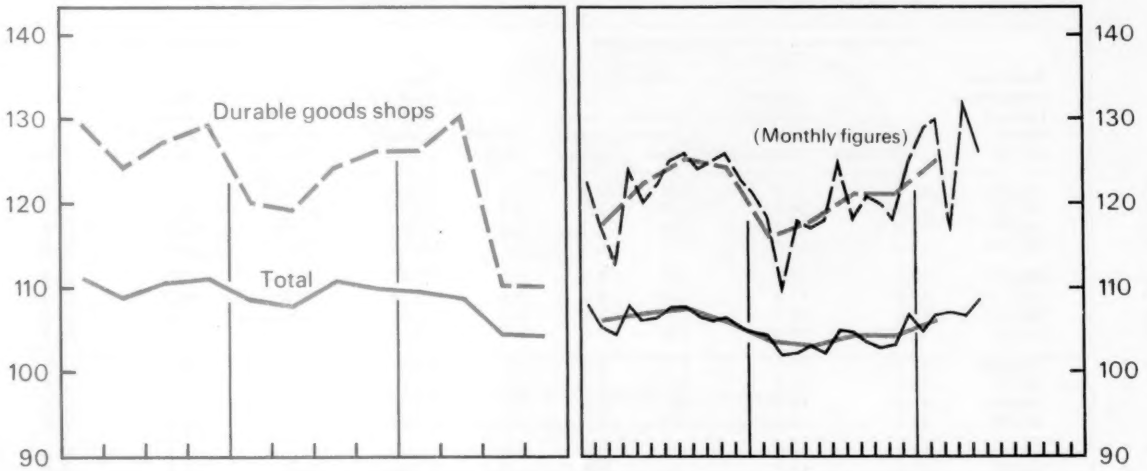
[2] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods. Because of timing differences January 1975 is exceptionally a five-week period. Further details are given in the technical note to the retail sales figures on page 716 of *Trade and Industry*, 14 March 1975.

[3] Credit extended by and repaid to finance houses and retailers, i.e. durable goods shops, department stores (including co-operatve societies), other general stores and general mail order houses. The figures for retailers have been rebased from 1971 on the results of the Census of Distribution for 1971. For further details see *Trade and Industry*, 10 February 1978.

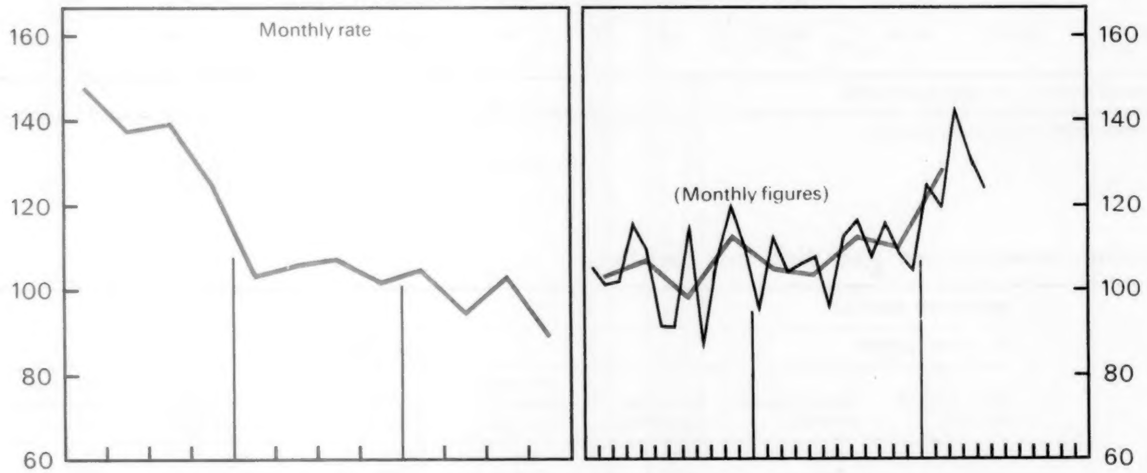
[4] The seasonal adjustments have been revised in the light of subsequent experience.

[5] These indices are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.

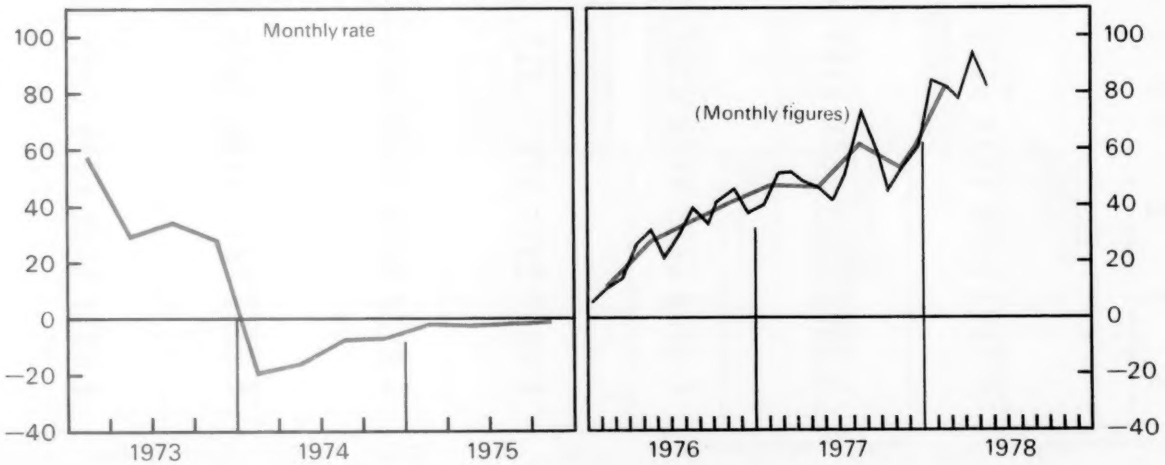
Volume of retail sales Weekly average 1971 = 100, seasonally adjusted



New registrations of cars Thousands, seasonally adjusted



Change in hire purchase debt outstanding £ million, seasonally adjusted



Shares of income and expenditure

	Seasonally adjusted									
	£ million	**Per cent**					**£ million**	**Per cent**		
		Percentage share of total final expenditure						Percentage share of total domestic income		
				Gross fixed investment						
	Total final expenditure (current market prices)	Consumers' expenditure	General government final consumption	General government	Public corporations	Private sector	Total domestic income (current prices)[1]	Income from employment	Gross trading profits of companies[1]	Other[1],[2]
1970	61,967	51·1	14·4	3·9	2·7	8·6	44,882	67·8	13·2	19·0
1971	69,167	51·2	14·7	3·7	2·7	8·8	49,973	67·3	13·4	19·2
1972	76,805	52·0	15·2	3·6	2·3	9·2	56,646	67·0	13·2	19·8
1973	91,178	49·6	14·5	4·0	2·3	9·1	66,482	65·5	13·7	20·8
1974	109,452	47·5	15·1	4·0	2·6	8·9	78,849	66·8	12·3	20·9
1975	132,171†	47·9	17·3	3·8	3·0	8·9	97,911	70·1	10·0	19·9
1976	158,766	46·3	16·7	3·4	3·0	8·4	114,760	68·5	10·8	20·6
1977	181,911	45·7	16·0	2·6	2·6	8·6	127,016†	67·9	11·3	20·7
1976 *1*	36,969†	47·3	17·0	3·8	3·3	8·2	26,806	69·8	9·6	20·6
2	38,721	46·2	17·0	3·5	3·0	8·4	28,210	68·7	10·7	20·6
3	40,625	45·9	16·7	3·3	2·8	8·8	29,289	68·3	10·9	20·8
4	42,451	45·7	16·2	3·2	2·9	8·2	30,455	67·4	12·0	20·6
1977 *1*	43,434	45·8	16·0	3·1	2·8	8·0	31,175	67·3	11·9	20·8
2	44,981	45·2	16·1	2·5	2·5	8·9	31,264	67·8	11·4	20·8
3	46,566	45·7	16·0	2·4	2·5	8·7	32,017	67·8	11·3	20·9
4	46,930	46·2	16·1	2·5	2·5	8·9	32,560	68·9	10·8	20·3
1978 *1*	48,697	46·4	16·1	2·5	2·1	9·0	33,685	68·8	10·8	20·4
2										

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[1] Before providing for stock appreciation.

[2] Gross trading surplus of public corporations and general government enterprises, income from rent and self-employment, and imputed charge for consumption of non-trading capital.

Income, product and spending *per capita*

	Seasonally adjusted						
	£, current prices				**£, 1970 prices**		
	Gross national product[1]	Gross domestic product[1],[2]	Consumers' expenditure	Personal disposable income	Gross domestic product[1],[2]	Consumers' expenditure	Personal disposable income
1970	790	780	570	626	780	570	626
1971	892	883	636	694	799	587	641
1972	994	984	715	797	806	618	689
1973	1,159	1,135	807	916	863	645	732
1974	1,337	1,314	927	1,082	852	637	743
1975	1,674	1,658	1,130	1,336	835	629	744
1976	1,974	1,947	1,311	1,540	862	632	743
1977	2,196	2,189	1,486	1,739	865	627	733
1975 *1*	391	387	263	312	213	160	191
2	408	405	280	327	209	159	186
3	426	422	290	343	206	156	184
4	449	444	297	354	207	154	183
1976 *1*	469	463	312	370	215	157	187
2	482	476	320	374	214	157	184
3	503	495	333	394	215	159	187
4	520	513	346	402	218	159	185
1977 *1*	527	523	355	417	215	156	184
2	534	534	363	421	216	154	179
3	562	560	381	437	217	158	181
4	573	572	387	462	217	159	189
1978 *1*	593	591	404	470	218	162	189
2							

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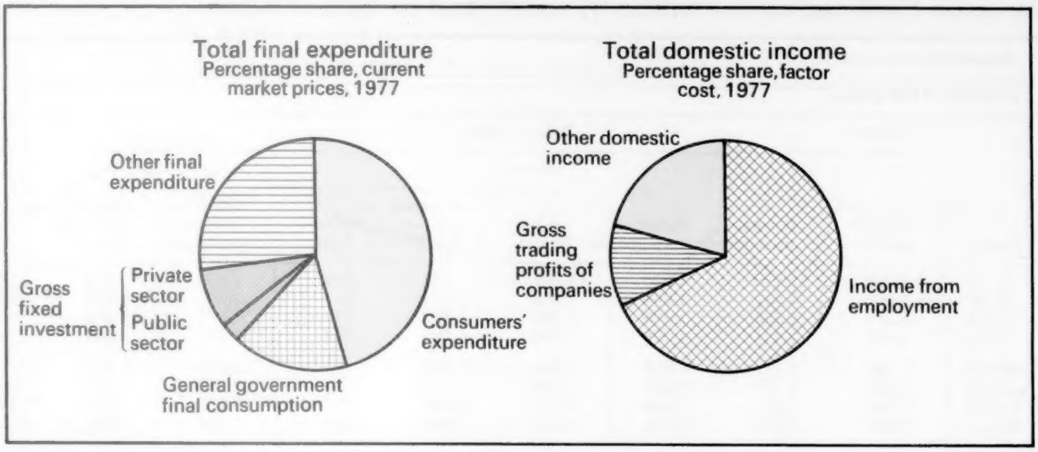
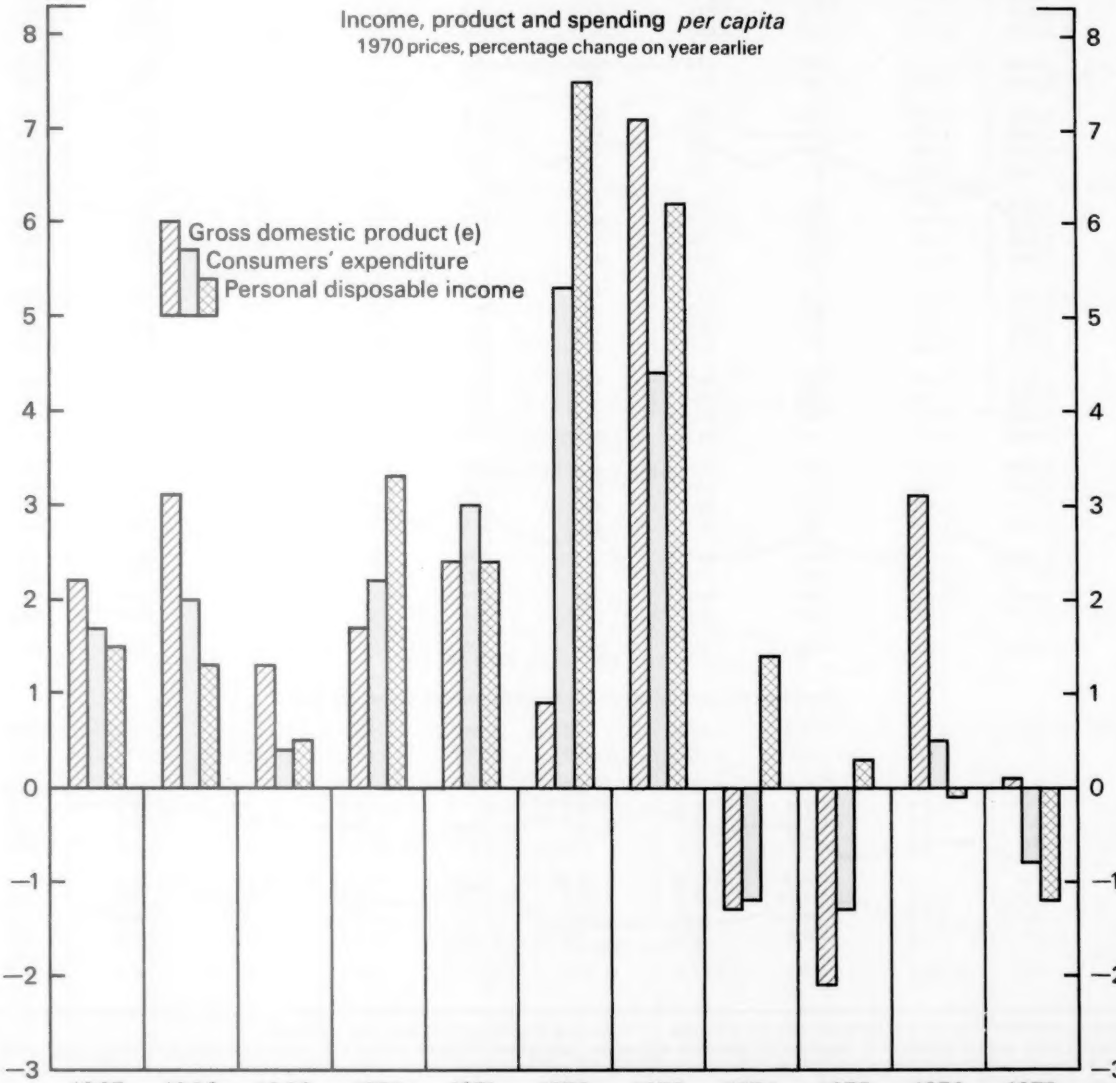
[1] At factor cost.

[2] Based on expenditure data.


Total final expenditure
Percentage share, current market prices, 1977
Other final expenditure
Gross fixed investment
Private sector
Public sector
General government final consumption
Consumers' expenditure
Total domestic income
Percentage share, factor cost, 1977
Other domestic income
Gross trading profits of companies
Income from employment


Income, product and spending per capita
1970 prices, percentage change on year earlier
Gross domestic product (e)
Consumers' expenditure
Personal disposable income
8
7
6
5
4
3
2
1
0
−1
−2
−3
1967
1968
1969
1970
1971
1972
1973
1974
1975
1976
1977

16

Gross domestic fixed capital formation by sector and by type of asset

Seasonally adjusted

£ million, 1970 prices

		Sector[1]			Type of asset					
					Dwellings					
						of which:				
	Total§	Private sector	General government	Public corporations	Total	Private	Public	Other new building and works[2]	Vehicles ships and aircraft	Plant and machinery
1967	8,780	4,488	2,316	1,976	1,784	915	869	2,879	752	3,365
1968	9,182	4,906	2,432	1,844	1,868	957	911	3,020	928	3,366
1969	9,216	5,211	2,390	1,615	1,785	894	891	3,050	912	3,469
1970	9,453	5,343	2,431	1,679	1,643	841	802	3,173	979	3,658
1971	9,625	5,586	2,351	1,688	1,749	1,009	740	3,263	1,013	3,600
1972	9,636	5,897	2,253	1,486	1,838	1,151	687	3,210	1,156	3,432
1973	10,233	6,106	2,571	1,556	1,772	1,045	727	3,338	1,283	3,840
1974	10,001	5,868	2,419	1,714	1,639	855	784	3,186	1,198	3,978
1975	9,640	5,603	2,172	1,865	1,713	915	798	3,177	1,051	3,699
1976	9,444	5,515	2,053	1,876	1,712	883	829	3,026	1,039	3,667
1977	9,087†	5,772†	1,648†	1,667†	1,523†	810	713†	2,821†	1,062†	3,681†
1971 *3*	2,418	1,437	567	414	439	262	177	814	252	913
4	2,425	1,403	601	421	450	267	183	840	242	893
1972 *1*	2,376	1,399	572	405	450	278	172	785	289	852
2	2,409	1,476	560	373	453	276	177	808	284	864
3	2,396	1,485	550	361	462	298	164	809	272	853
4	2,455	1,537	571	347	473	299	174	808	311	863
1973 *1*	2,635	1,578	658	399	454	274	180	876	337	968
2	2,512	1,516	620	376	456	277	179	827	295	934
3	2,533	1,502	643	388	441	253	188	823	306	963
4	2,553	1,510	650	393	421	241	180	812	345	975
1974 *1*	2,604	1,522	705	377	436	236	200	872	286	1,010
2	2,428	1,473	524	431	383	207	176	761	296	988
3	2,454	1,439	619	396	401	188	213	795	298	960
4	2,515	1,434	571	510	419	224	195	758	318	1,020
1975 *1*	2,433	1,397	554	482	420	224	196	769	300	944
2	2,392	1,393	560	439	445	239	206	767	248	932
3	2,459[3]	1,481[3]	503	475	406	227	179	853[3]	248	952
4	2,356	1,332	555	469	442	225	217	788	255	871
1976 *1*	2,378	1,313	557	508	448	230	218	761	256	913
2	2,346[3]	1,360[3]	519	467	418	211	207	768[3]	256	904
3	2,377[3]	1,448[3]	492	437	430	228	202	768[3]	269	910
4	2,343	1,394	485	464	416	214	202	729	258	940
1977 *1*	2,259†	1,335†	477	447	366 †	175	191†	694	291	908
2	2,292[3]	1,490[3]	392†	410	376	202	174	734[3]	276	906
3	2,265	1,472	385	408†	385	214	171	695†	259†	926†
4	2,271	1,475	394	402	396	219	177	698	236	941
1978 *1*	2,245	1,486	408	351	365	195	170	699	284	897
2										
Percentage change, quarter on corresponding quarter of previous year										
1975 *3*	*+0·2*	*+2·9*	*−18·7*	*+19·9*	*+ 1·2*	*+20·7*	*−16·0*	*+ 7·3*	*−16·8*	*− 0·8*
4	*−6·3*	*−7·1*	*− 2·8*	*− 8·0*	*+ 5·5*	*+ 0·4*	*+11·3*	*+ 4·0*	*−19·2*	*−14·2*
1976 *1*	*−2·3*	*−6·0*	*+ 0·5*	*+ 5·4*	*+ 6·7*	*+ 2·7*	*+11·2*	*− 1·0*	*−14·7*	*− 3·3*
2	*−1·9*	*−2·4*	*− 7·3*	*+ 6·4*	*− 6·1*	*−11·7*	*+ 0·5*	*+ 0·1*	*+ 3·2*	*− 3·0*
3	*−3·3*	*−2·2*	*− 2·2*	*− 8·0*	*+ 5·9*	*+ 0·4*	*+12·8*	*−10·0*	*+ 8·5*	*− 4·4*
4	*−0·6*	*+4·7*	*−12·6*	*− 1·1*	*− 5·9*	*− 4·9*	*− 6·9*	*− 7·5*	*+ 1·2*	*+ 7·9*
1977 *1*	*−5·0*	*+1·7†*	*−14·4*	*−12·0*	*−18·3†*	*−23·9*	*−12·4†*	*− 8·8*	*+13·7*	*− 0·5*
2	*−2·3*	*+9·6*	*−24·5†*	*−12·2*	*−10·0*	*− 4·3*	*−15·9*	*− 4·4*	*+ 7·8*	*+ 0·2*
3	*−4·7*	*+1·7*	*−21·7*	*−6·6†*	*−10·5*	*− 6·1*	*−15·3*	*− 9·5†*	*− 3·7†*	*+ 1·8†*
4	*−3·1†*	*+5·8*	*−18·8*	*−13·4*	*− 4·8*	*+ 2·3*	*−12·4*	*− 4·3*	*− 8·5*	*+ 0·1*
1978 *1*	*−0·6*	*+11·3*	*−14·5*	*+21·5*	*− 0·3*	*+11·4*	*−11·0*	*+ 0·7*	*− 2·4*	*− 1·2*
2										

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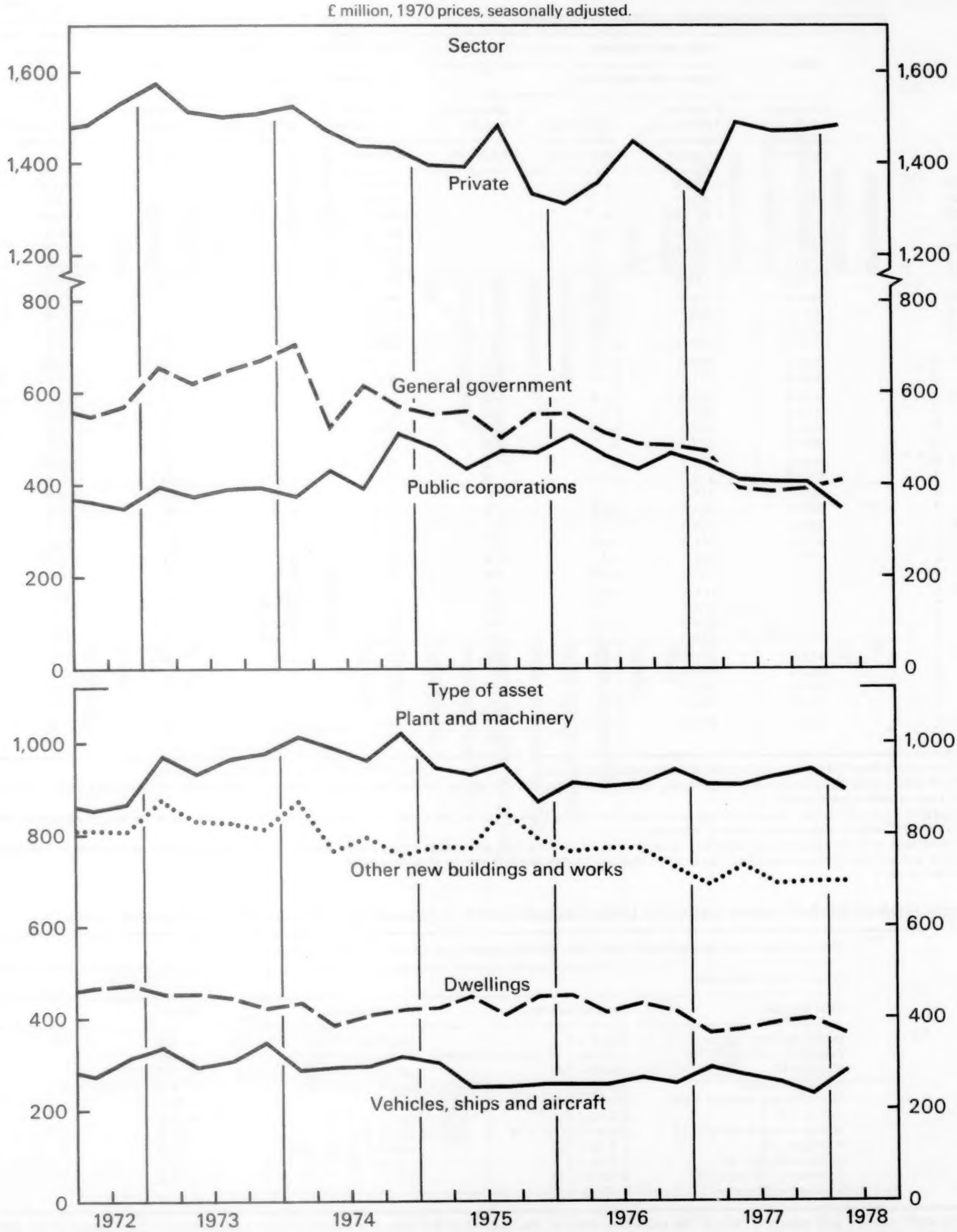
[1] Including purchases *less* sales of land and existing buildings. [2] Including transfer costs of land and buildings.

[3] Including extra capital formation in imported oil platforms and related equipment delivered during the quarter but not adjusted for seasonality. The extra deliveries are approximately £100 million in 3rd quarter 1975, £60 million in 2nd quarter 1976, £50 million in 3rd quarter 1976 and £75 million in 2nd quarter 1977.


£ million, 1970 prices, seasonally adjusted.
Sector
1,600
1,400
1,200
800
600
400
200
0
Private
General government
Public corporations
Type of asset
Plant and machinery
Other new buildings and works
Dwellings
Vehicles, ships and aircraft
1,000
800
600
400
200
0
1972
1973
1974
1975
1976
1977
1978

Indicators of fixed investment by manufacturing industry

	Gross fixed investment in manufacturing industry							New orders received by contractors for private industrial work (GB)[1,2,3]
	Total §	Plant and machinery			New building and works			
		Gross fixed investment		CBI Intentions Inquiry	Gross fixed investment		CBI Intentions Inquiry	
	£ million, 1970 prices, seasonally adjusted	£ million, 1970 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[4]	£ million, 1970 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[4]	£ million, 1970 prices, seasonally adjusted
1967	1,737·7	1,318·6	*+ 1*	..	319·6	*−12*	..	527·9
1968	1,851·2	1,406·1	*+ 7*	..	335·9	*+ 5*	..	549·6
1969	1,977·5	1,471·5	*+ 5*	..	390·1	*+16*	..	605·9
1970	2,129·8	1,623·9	*+10*	..	391·2	—	..	565·2
1971	1,988·0	1,520·2	*− 6*	..	353·0	*−10*	..	405·2
1972	1,720·8	1,310·4	*−14*	..	287·1	*−19*	..	400·5
1973	1,730·3	1,333·0	*+ 2*	..	266·7	*− 7*	..	514·9
1974	1,964·4	1,529·2	*+15*	..	295·0	*+11*	..	433·0
1975	1,694·9	1,336·7	*−13*	..	252·8	*−14*	..	276·9
1976	1,632·8	1,297·7	*− 3*	..	213·8	*−15*	..	329·5
1977	1,763·8†	1,385·4†	*+ 7*	..	228·8†	*+ 7*	..	394·4
1972 *3*	420·5	316·6	*−17*	16	71·8	*−17*	− 4	97·4
4	421·0	321·7	*−11*	17	65·7	*−25*	− 2	99·0
1973 *1*	435·0	337·3	*− 4*	30	64·6	*−15*	4	121·7
2	416·7	321·3	—	35	64·1	*−12*	11	124·5
3	449·6	347·1	*+10*	39	69·3	*− 4*	18	130·0
4	429·0	327·3	*+ 2*	38	68·7	*+ 5*	16	138·8
1974 *1*	496·5	384·6	*+14*	− 3	76·9	*+19*	−15	109·8
2	488·2	379·3	*+18*	2	73·3	*+14*	−10	108·0
3	486·7	379·7	*+ 9*	− 6	71·1	*+ 3*	−22	109·8
4	493·0	385·6	*+18*	−33	73·7	*+ 7*	−39	105·5
1975 *1*	455·5	358·0	*− 7*	−41	68·7	*−11*	−47	86·4
2	432·5	341·4	*−10*	−27	65·8	*−10*	−42	65·8
3	409·2	322·1	*−15*	−24	62·0	*−13*	−39	73·1
4	397·7	315·2	*−18*	−15	56·3	*−24*	−31	51·6
1976 *1*	396·5	314·9	*−12*	10	54·3	*−21*	−12	72·5
2	400·0	316·4	*− 7*	15	52·2	*−21*	− 9	81·4
3	414·3	329·9	*+ 2*	25	53·1	*−14*	− 3	79·6
4	422·0	336·5	*+ 7*	26	54·2	*− 4*	1	96·0
1977 *1*	418·5†	331·0†	*+ 5*	29	52·1	*− 4*	4	92·0
2	432·9	336·8	*+ 6*	31	55·9†	*+ 7*	—	110·9
3	455·9	360·5	*+ 9*	23	58·7	*+11*†	− 4	97·9
4	456·5	357·1	*+ 6*	21	62·1	*+15*	− 3	93·6
1978 *1*	445·5	354·0	*+ 7*	21	56·8	*+ 9*	− 4	121·4
2				18			− 7	

[1] New orders from 3rd quarter 1974 include orders received by firms, mostly small, added to the statistical register in that period.

[2] From 2nd quarter 1976 figures are not precisely comparable with those for earlier periods because of revisions to estimation methods and minor changes in type of work classification.

[3] Updated seasonal factors have produced some revisions to the back series; at the same time the opportunity has been taken to incorporate revisions to the data arising from late or revised reporting.

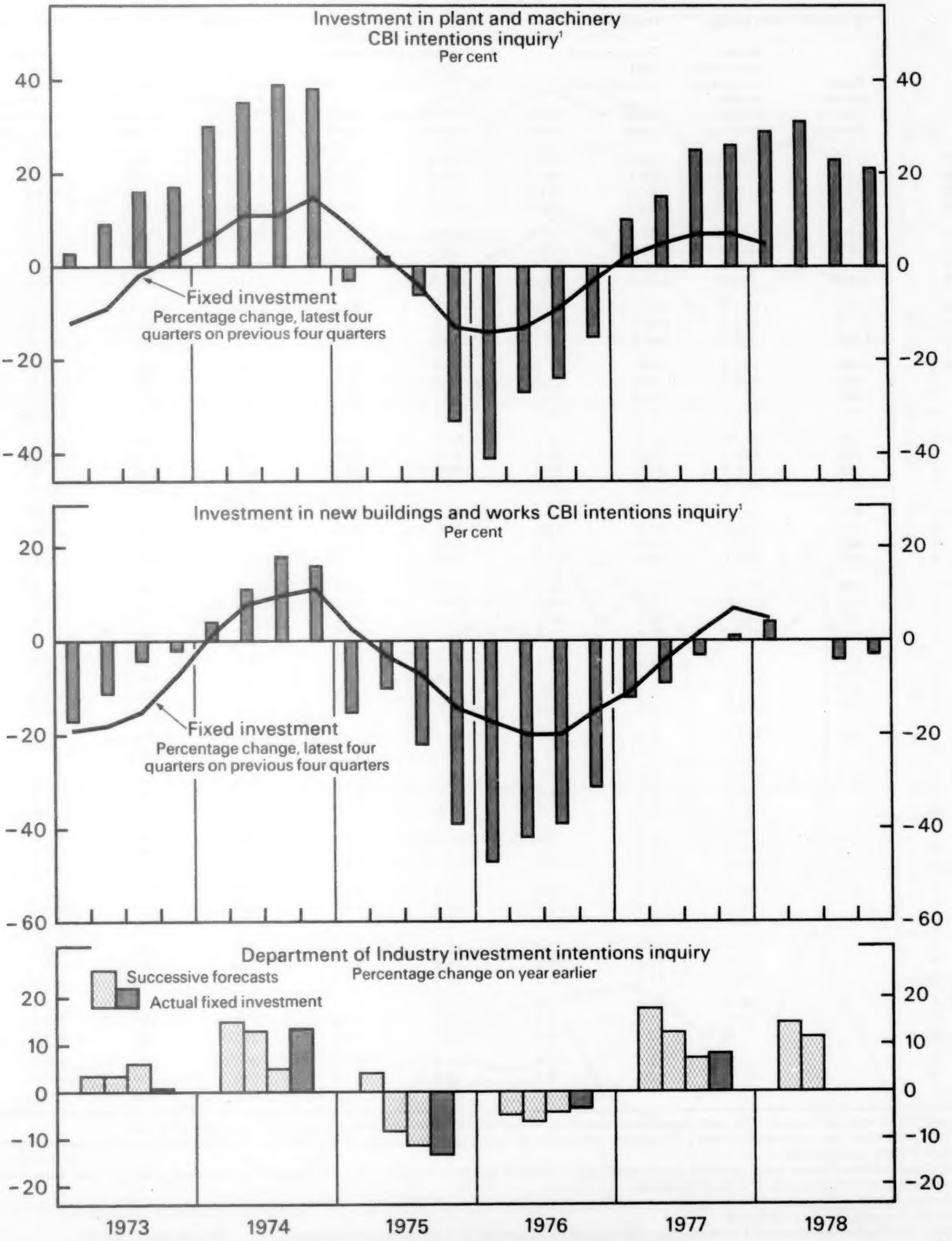
[4] Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less. Figures relate to Inquiries in February, June and October of each year until 1972, when they are held in the first month of each quarter.

[5] Provisional.

Department of Industry inquiry into investment intentions[1]: manufacturing industry

	Percentage change over previous year, in volume terms			
	Gross fixed investment			
	First forecast	Second forecast	Third forecast	Actual
1968	probably some increase	about +5	less than +5	+ 6·5
1969	between +10 and +15	+10 to +15, perhaps top end	of the order of +10	+ 6·8
1970	about +10	about +10	about +2 or +3	+ 7·7
1971	no large change	about −2	about −6 to −8	− 6·7
1972	little change, perhaps a rise	about −3	−7	−13·4
1973	+2 to +5	+2 to +5	+6	+ 0·6
1974	strong increase about +15	some +12 to +14	about +5	+13·5
1975	less than +5	−7 to −10	about −11 or −12	−13·7
1976	of the order of −5	−5 to −8	−4 to −5	− 3·7
1977	between +15 and +20	+10 to +15	+7	+ 7·9
1978	between +12 and +17	+10 to +13		

[1] For each year the first inquiry is held in the preceding summer, the second at the end of the previous year and the third in the summer of the year concerned. (In addition the inquiry at the end of the year seeks preliminary information in respect of the second year ahead and another survey in the spring of each year updates the intentions for both years covered by this inquiry; these two inquiries are not included in the table.)



[1] The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage changes in fixed investment

20

Indicators of fixed investment in dwellings

		Seasonally adjusted								Unadjusted
		£ million, 1970 prices		Thousands				£ million		1970=100
				Housing starts (GB) §		Housing completions (GB) §		Building Societies Association		Average price of new dwellings: mortgages approved[4]
		Fixed investment in dwellings	Orders received by contractors for new houses (GB)[1,2,3]	Private sector	Public sector	Private sector	Public sector	New commitments for mortgages	Net increase in shares and deposits	
1967		1,784	1,665·9	233·6	213·9	200·4	203·9	1,649	1,099	83·8
1968		1,868	1,435·7	200·1	194·3	222·0	191·7	1,480	767	89·6
1969		1,785	1,165·9	166·8	176·6	181·7	185·1	1,580	895	94·2
1970		1,643	1,171·6	165·1	153·8	170·3	180·1	2,188	1,490	100·0
1971		1,749	1,190·8	207·4	136·9	191·6	158·9	3,013	2,034	115·3
1972		1,838	1,351·1	228·0	123·0	196·5	122·8	3,802	2,193	151·5
1973		1,772	1,247·9	215·7	112·8	186·6	107·5	3,254	2,162	206·4
1974		1,639	860·3	105·9	146·1	140·9	128·6	3,115	1,993	218·9
1975		1,713	1,040·6	149·1	173·8	150·8	162·3	5,302	4,172	239·5[5]
1976		1,712	1,114·6	154·7	170·9	152·2	163·0	6,106	3,405	259·5
1977		1,518	929·0	134·8	132·1	140·3	162·5	7,356	5,808	285·1
1973	*1*	454	382·4	62·6	29·8	48·8	25·8	991	476	196·0
	2	456	303·2	54·9	27·8	49·0	29·5	759	805	205·4
	3	441	297·7	52·8	27·2	46·1	26·2	816	511	211·6
	4	421	264·5	45·4	28·0	42·7	26·0	688	370	217·0
1974	*1*	436	211·0	33·8	34·1	44·3	29·5	533	218	216·8
	2	383	199·7	25·8	39·7	31·9	30·8	598	456	215·4
	3	401	219·3	22·5	36·5	30·9	33·9	931	634	221·0
	4	419	230·4	23·8	35·8	33·8	34·4	1,053	685	221·8
1975	*1*	420	240·2	33·1	41·4	35·8	37·8	1,119	1,054	228·1
	2	445	243·6	37·4	37·8	39·6	39·3	1,311	1,085	239·4
	3	406	270·2	38·0	43·9	37·6	42·5	1,373	1,012	244·5
	4	442	286·7	40·6	50·7	37·8	42·7	1,499	1,021	246·1
1976	*1*	448	312·5	42·0	49·8	39·4	40·6	1,537	1,341	249·8
	2	418	295·1	42·0	44·3	37·8	42·4	1,552	824	258·4
	3	430	264·7	39·3	44·4	38·3	41·5	1,581	727	264·1
	4	416	242·1	31·4	32·4	36·7	38·5	1,419	513	267·0
1977	*1*	366†	207·8[6]	29·9	30·3	33·7	37·5	1,255	939	270·0
	2	376	230·9	34·7	32·7	35·8	40·3	1,680	1,503	279·2
	3	385	234·0	35·3	34·6	34·8	41·8	2,021	1,352	288·6
	4	396	256·3	34·9	34·5	36·0	42·9	2,400	2,014	298·1
1978	*1*	365	241·1[6]	35·0	26·3	38·0	32·9	2,354	1,454	312·5
	2							2,033	880	
1977	*J*	..	67·5	10·1	10·9	11·1	12·6	394	224	270·4
	F	..	63·6	9·5	8·5	11·7	12·9	389	323	268·6
	M	..	76·7	10·3	10·9	10·9	12·0	472	392	270·8
	A	..	71·8	12·3	10·0	12·4	13·5	458	496	275·6
	M	..	74·5	11·2	11·1	11·7	13·0	634	547	278·1
	J	..	84·6	11·2	11·6	11·7	13·8	588	460	283·6
	J	..	69·2	12·2	11·6	12·6	12·8	609	368	286·3
	A	..	84·0	9·8	10·9	10·4	14·4	685	427	289·4
	S	..	80·8	13·3	12·1	11·8	14·6	727	557	290·1
	O	..	76·6	12·3	12·4	12·3	14·9	780	667	294·7
	N	..	87·6	10·8	11·1	11·3	13·7	798	701	298·1
	D	..	92·1	11·8	11·0	12·4	14·3	822	646	302·0
1978	*J*	..	79·3	11·5	10·6	13·0	11·4	805	504	307·7
	F	..	80·3[6]	11·2	7·2	12·1	10·6	797	462	309·3
	M	..	81·5[6]	12·3	8·5†	12·9	10·9	752	488	319·6
	A	..		13·5	10·0	12·4	10·8†	684	305	325·2
	M	..		12·1	9·8	12·4	11·3	699	266	327·9
	J	..						650	309	

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[1] New orders from 3rd quarter 1974 include orders received from firms, mostly small, added to the statistical register in that period.

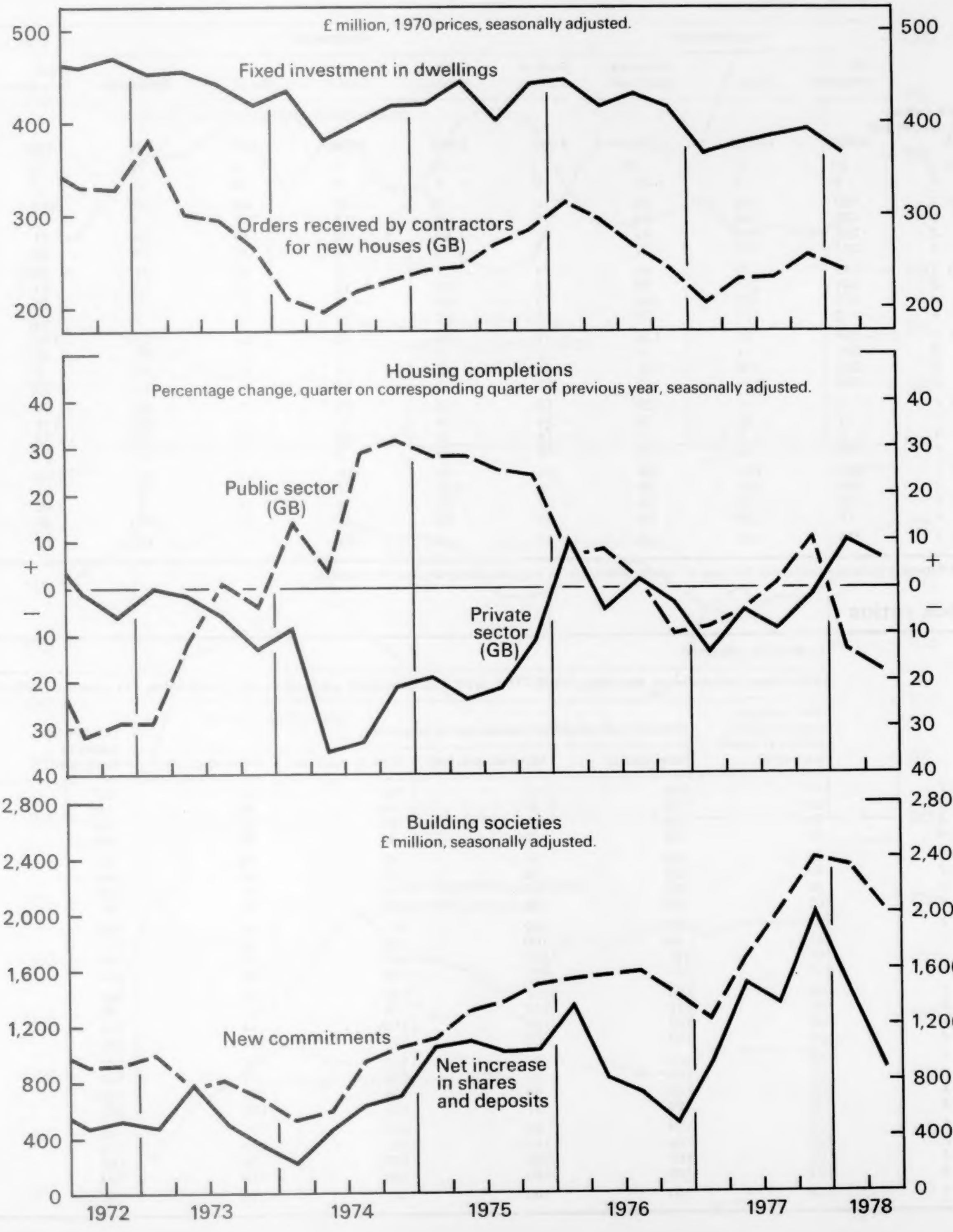
[2] From April 1976 figures are not precisely comparable with those for earlier periods because of revisions to estimation methods and minor changes in type of work classification.

[3] Updated seasonal factors have produced some revisions to the back series; at the same time the opportunity has been taken to incorporate revisions to the data arising from late or revised reporting.

[4] Mortgages with building societies by private owners. The index covers only dwellings on which building societies have approved mortgages during the period. The cost of land is included.

[5] From 1975 figures are based on a new monthly return covering 90 per cent of building society mortgages.

[6] Provisional


£ million, 1970 prices, seasonally adjusted.
Fixed investment in dwellings
Orders received by contractors for new houses (GB)
500
400
300
200
Housing completions
Percentage change, quarter on corresponding quarter of previous year, seasonally adjusted.
Public sector (GB)
Private sector (GB)
40
30
20
10
+
0
−
10
20
30
40
Building societies
£ million, seasonally adjusted.
New commitments
Net increase in shares and deposits
2,800
2,400
2,000
1,600
1,200
800
400
0
1972
1973
1974
1975
1976
1977
1978

Stock changes

Seasonally adjusted

£ million, 1970 prices

		Manufacturing[1]				Distribution			
	All industries	Total	Materials and fuels	Work in progress	Finished goods	Total	Retail	Wholesale	Other industries
Book values end-December 1976	18,401	10,529	3,543	4,082	2,903	3,759	1,929	1,830	4,113
1972 *3*	24	−21	3†	−7	−33	−1	−15	14	46
4	8	19	22	8	−5	−4	−19	15	−7
1973 *1*	462	199	89	110	0	131	92	39	132
2	424	166	94	75	−3	216	209	7	42
3	262	111	43	82	−14	70	40	30	81
4	217	121	77	57	−13	64	38	26	32
1974 *1*	−149	−71	64	−24	−111	1	−20	21	−79
2	341	211	68	22	121	73	25	48	57
3	371	377	135	73	169	−32	−37	5	26
4	−2	117	20	15	82	−70	−77	7	−49
1975 *1*	−197	−31	−136	17	88	−66	−44	−22	−100
2	−241	−74	−51	−22	−1	−112	−61	−51	−55
3	−224	−209	−141	−61	−7	−10	16	−26	−5
4	−180	−115	−63	−52	0	12	24	−12	−77
1976 *1*	−1	—	−25	12	13	59	33	26	−60
2	−12	−66	−28	−34	−4	−65	−45	−20	119
3	5	−2	7	−16	7	30	16	14	−23
4	105	73	−15	48	40	8	5	3	24
1977 *1*	234†	125	55	44	26	153	102	51	−44†
2	229	164	39	−5	130	34	−5	39	31
3	−30	−31	−26	−32	27	−39	−44	5	40
4	11	−25†	−36	60	−49	−23†	−36	13†	59
1978 *1*	249	125	43	37	45	114	61	53	10

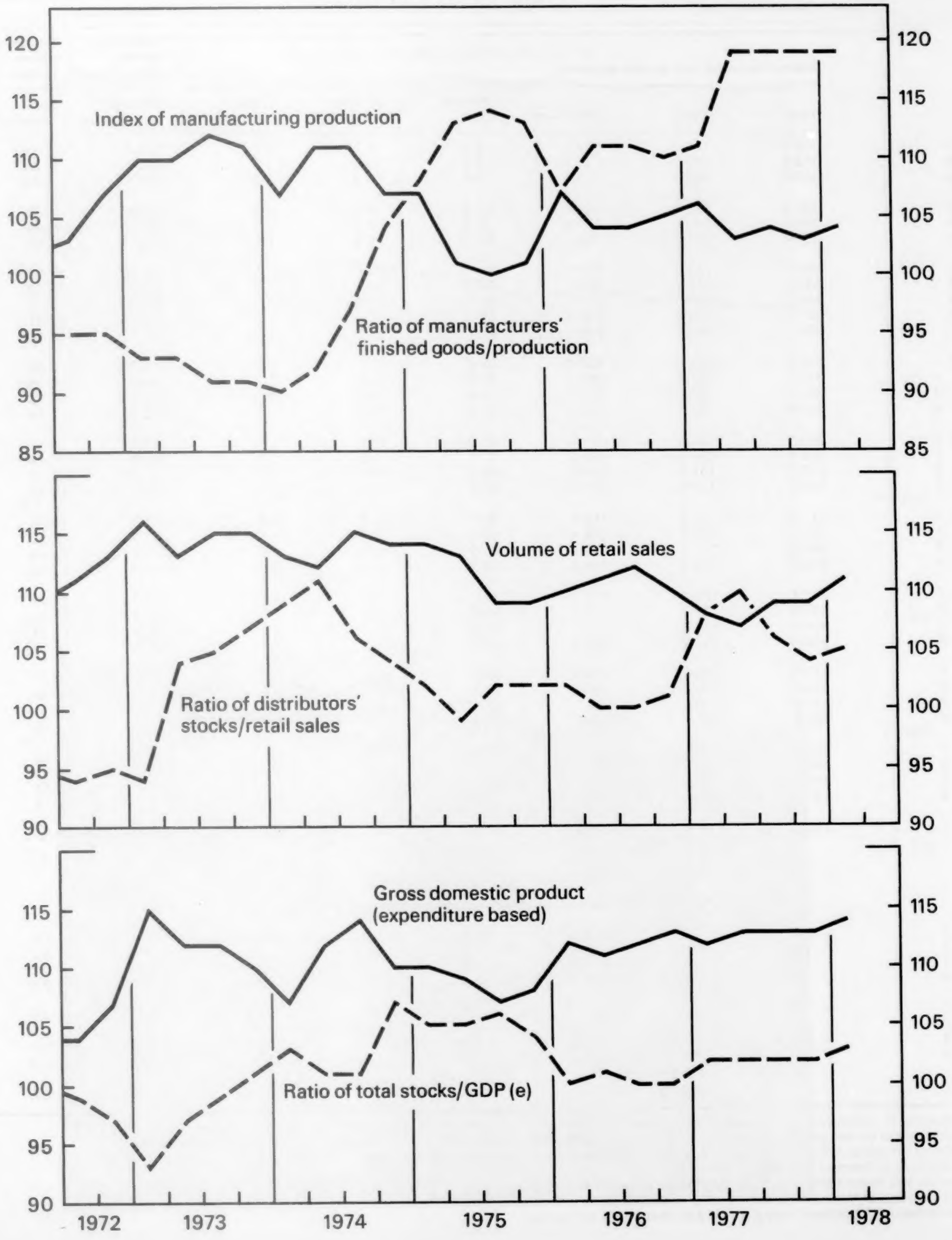
[1] Differences between totals and the sum of constituent parts of manufacturing are due to rounding.

Stock ratios

Seasonally adjusted

1970 prices: stocks level, end-Dec. 1969=100; GDP (e), industrial production and retail sales, 4th quarter 1969=100

	Total stocks to gross domestic product (expenditure based)	Manufactured stocks to manufacturing production				Distributors' stocks to retail sales
		Total stocks	Materials and fuel	Work in progress	Finished goods	
1972 *1*	100	104	102	104	108	97
2	100†	93	90	94	96	95†
3	99	93	90	94	95	94
4	97	94	92	95	95	95
1973 *1*	93	93	91	95	93	94
2	97	95	94	97	93	104
3	99	94	93	97	91	105
4	101	96	96	99	91	107
1974 *1*	103	99	102	103	90	109
2	101	98	100	100	92	111
3	101	101	103	101	97	106
4	107	105	107	105	104	104
1975 *1*	105	106	104	106	108	102
2	105	110	108	111	113	99
3	106	109	105	110	114	102
4	104	107	102	108	113	102
1976 *1*	100	102	96	103	107	102
2	101	104	98	105	111	100
3	100	104	98	104	111	100
4	100	104	97	105	110	101
1977 *1*	102	104	98	105	111	108
2	102	108	101†	107	119	110
3	102	107	100	106†	119†	106
4	102	108	100	108	119	104
1978 *1*	103	107	100	107	119	105



1970 prices, seasonally adjusted

24

Inland energy consumption

Annual rates, seasonally adjusted and temperature corrected

	Primary fuel input[1]						Public supply	
	Million tonnes of coal or coal equivalent						Thousand million kilowatt hours	Thousand million therms
	Total	Coal[2]	Petroleum[3]	Natural gas[4]	Nuclear electricity[5]	Hydro electricity[5]	Electricity available(GB)[6]	Gas available(GB)[7]
1967	303·2	166·3	123·1	2·1	9·0	2·7	177·8	4·37
1968	312·9	166·7	129·2	4·8	10·2	2·0	193·6	4·88
1969	323·0	162·8	138·4	9·4	10·7	1·7	200·5	5·40
1970	336·3	156·8	149·8	17·8	9·5	2·4	211·6	6·30
1971	332·9	140·0	152·4	28·8	9·9	1·8	215·9	8·25
1972	337·4	121·8	162·2	41·0	10·6	1·8	224·1	10·82
1973	354·2	133·2	164·5	44·4	10·1	2·0	241·0	12·04
1974	337·9	117·7	153·1	52·9	12·1	2·1	235·5	13·53
1975	326·9	120·6	137·1	56·3	10·9	2·0	234·2	13·90
1976	331·5	123·0	134·2	59·5	12·9	1·9	236·7	14·41
1977	338·2	122·4	136·8	62·7	14·3	2·0	240·2	15·39
1972 *1*	316·9	104·8	162·7	36·0	11·6	1·8	213·4	9·98
2	337·9	121·1	163·7	40·3	10·5	2·3	224·4	10·70
3	341·5	128·0	157·2	44·4	9·9	2·0	226·3	11·18
4	353·6	133·3	165·2	43·2	10·8	1·1	232·2	11·42
1973 *1*	350·1	134·5	162·8	40·0	10·9	1·9	243·2	11·51
2	355·4	134·6	165·8	43·7	9·3	2·0	241·3	11·69
3	358·7	131·3	169·2	45·8	10·2	2·2	241·3	12·19
4	352·5	132·4	160·3	48·1	9·9	1·8	238·3	12·79
1974 *1*	311·5	96·3	150·8	50·1	11·5	2·8	216·3	13·20
2	342·4	126·7	149·4	52·6	12·4	1·3	237·1	13·49
3	350·9	125·9	155·8	54·9	12·3	2·0	244·2	13·66
4	346·9	122·0	156·3	54·1	12·1	2·4	244·3	13·78
1975 *1*	331·1	127·2	136·8	54·2	10·8	2·1	236·2	13·73
2	331·4	121·2	143·0	55·2	10·4	1·6	237·3	13·71
3	326·4	116·9	139·2	57·4	10·8	2·1	234·7	13·97
4	318·9	117·2	129·2	58·5	12·0	2·0	228·5	14·17
1976 *1*	332·5	125·5	133·8	60·4	10·9	1·9	230·9	14·27
2	334·6	120·8	139·5	59·2	12·5	2·6	240·4	14·36
3	330·9	120·5	136·7	57·6	14·6	1·5	244·3	14·46
4	328·0	125·2	126·8	61·0	13·4	1·6	231·4	14·56
1977 *1*	336·9	126·3	134·0	61·1	13·9	1·6	237·9	14·95
2	337·7	121·1	137·7	62·0	14·5	2·4	242·9	15·32
3	340·5	121·6	138·1	63·4	15·7	1·7	248·3	15·54
4	337·5	120·4	137·3	64·3	13·1	2·4	231·9	15·76
1978 *1*	331·3	116·3	134·3	64·3	14·6	1·8	237·3	15·96
	Percentage change, quarter on corresponding quarter of previous year							
1976 *1*	*+ 0·4*	*− 1·3*	*− 2·2*	*+11·4*	*+ 0·9*	*− 9·5*	*− 2·2*	*+ 3·9*
2	*+ 1·0*	*− 0·3*	*− 2·5*	*+ 7·2*	*+20·2*	*+62·5*	*+ 1·3*	*+ 4·7*
3	*+ 1·4*	*+ 3·1*	*− 1·8*	*+ 0·3*	*+35·2*	*−28·6*	*+ 4·1*	*+ 3·5*
4	*+ 2·9*	*+ 6·8*	*− 1·9*	*+ 4·3*	*+11·7*	*−20·0*	*+ 1·3*	*+ 2·8*
1977 *1*	*+ 1·3*	*+ 0·6*	—	*+ 1·2*	*+27·5*	*−15·8*	*+ 3·0*	*+ 4·8*
2	*+ 0·9*	*+ 0·2*	*− 1·3*	*+ 4·7*	*+16·0*	*− 7·7*	*+ 1·0*	*+ 6·7*
3	*+ 2·9*	*+ 0·9*	*+ 1·0*	*+10·1*	*+ 7·5*	*+13·3*	*+ 1·6*	*+ 7·5*
4	*+ 2·9*	*− 3·8*	*+ 8·3*	*+ 5·4*	*− 2·2*	*+50·0*	*+ 0·2*	*+ 8·2*
1978 *1*	*− 1·7*	*− 7·9*	*+ 0·2*	*+ 5·2*	*+ 5·0*	*+12·5*	*− 0·2*	*+ 6·8*

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[1] Converted to metric tonnes. Temperature correction has been introduced for natural gas. Details are given in *Energy Trends,* May 1978.

[2] Consumption by fuel producers *plus* colliery disposals to final users *plus* net foreign trade and stock change in other solid fuels.

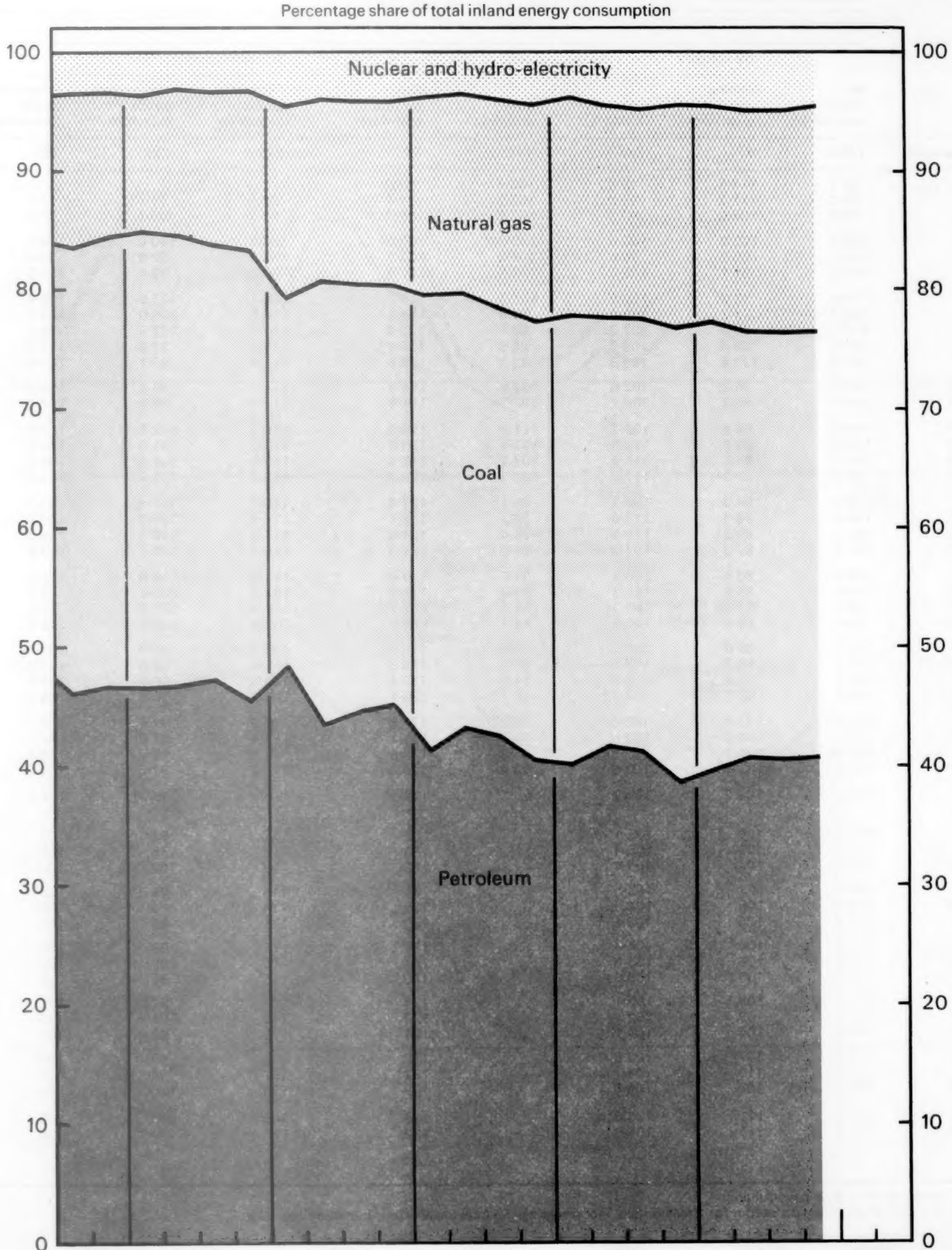
[3] Refinery throughput of crude oil *plus* net foreign trade and stock change in petroleum products *less* deliveries of non-energy products.

[4] Excluding gas flared or reinjected.

[5] Nuclear and hydro electricity are not temperature corrected.

[6] The inclusion of Northern Ireland would add about 2% to the total.

[7] The inclusion of Northern Ireland would add about 0·3% to the total.


Percentage share of total inland energy consumption
Nuclear and hydro-electricity
Natural gas
Coal
Petroleum
0
10
20
30
40
50
60
70
80
90
100
1972
1973
1974
1975
1976
1977
1978

Index of industrial production

Seasonally adjusted

1970=100

	By industry					By market sector[1]		
	All industries covered §	Mining and quarrying	Manufacturing §	Construction[2]	Gas, electricity and water	Consumer goods industries	Investment goods industries	Intermediate goods industries
1970 weights	*1,000*	*37*	*745*	*146*	*72*	*249*	*238*	*363*
1967	91·7	114·5	89·8	100·4	86·0	..	..	..
1968	97·2	111·2	96·0	102·7	91·6	95·4	94·7	97·8
1969	99·9	104·0	99·6	102·0	96·2	98·3	100·1	99·9
1970	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0
1971	100·1	100·0	99·4	101·8	103·8	102·5	97·9	99·2
1972	102·3	84·1	102·0	103·5	111·3	109·8	95·4	101·1
1973	110·0	92·6	110·5	107·9	118·1	118·7	103·5	109·4
1974	106·3	79·2	108·9	93·8	118·5	116·5	106·0	104·6
1975	100·6	85·9	102·2	86·1	120·3	110·6	102·9	98·2
1976	101·3	88·7	103·2	84·5	123·1	112·4	97·9	102·9
1977	102·6	103·6	103·8	83·2	128·1	115·5	98·1	104·5
1972 *3*	103·3	96·2	102·8	102·6	114·6	111·1	94·9	103·9
4	106·3	96·9	106·7	102·3	114·8	114·6	99·3	106·8
1973 *1*	110·0	98·4	109·7	111·9	115·6	116·7	102·7	109·6
2	109·7	95·8	110·0	107·2	118·6	118·6	101·6	110·0
3	110·7	94·1	111·5	107·1	117·7	119·9	104·9	109·7
4	109·7	81·9	111·0	105·3	120·2	119·4	104·9	108·2
1974 *1*	103·7	54·3	106·7	99·1	107·4	115·7	101·8	98·7
2	108·4	86·1	111·0	96·3	118·1	118·6	106·7	107·6
3	108·4	89·2	110·8	93·4	124·0	117·2	108·4	108·7
4	104·5	87·3	107·0	86·5	124·3	114·3	107·1	103·5
1975 *1*	103·9	86·4	106·5	87·1	120·0	114·8	106·8	101·5
2	100·0	85·6	101·3	86·3	121·4	109·2	103·6	96·8
3	98·8	85·0	100·3	85·4	117·7	109·2	101·0	95·8
4	99·6	86·6	100·9	85·7	122·0	109·0	100·2	98·6
1976 *1*	100·1	86·6	101·2	86·0	124·2	108·7	98·4	101·1
2	101·5	88·7	103·3	84·6	123·5	111·8	98·5	103·4
3	100·9	87·4	103·4	81·9	119·6	113·6	97·0	102·4
4	102·9	92·1	104·7†	85·7	125·1	115·6	97·8	104·6†
1977 *1*	103·2	102·4	105·3	80·8	127·5	115·9	99·4	106·1
2	101·9	104·0	103·0	81·7	131·1	113·4	97·5	105·2
3	102·8†	104·7	103·8	84·3	128·8	115·4†	98·0	104·8
4	102·3	103·4	103·3	85·9	125·0	117·2	97·5	101·9
1978 *1*	103·3	108·2	104·2	83·1	132·9†	116·9	99·2†	104·9
2								
1977 *J*	103·3	100	105·1†	..	132	116	99	107
F	103·2	103	105·4	..	126	116	99	106
M	103·1	104	105·4	..	125	116	100	105
A	102·2	102	103·5	..	131	114	98	105
M	103·3†	105	104·8	..	130	114	99	108†
J	100·3	105	100·6	..	132	111	96	103
J	102·9	104	104·4	..	125	116†	98	105
A	102·8	105	103·5	..	132	115	98	105
S	102·7	106	103·6	..	129	115	98	105
O	102·0	103	103·1	..	124	117	97†	101
N	102·0	103	102·7	..	127	116	97	102
D	102·9	104	104·1		124	118	98	102
1978 *J*	102·9	107†	103·6		133	116	99	104
F	103·6	110	104·1		137†	117	99	106
M	103·4	107	104·8		129	118	100	104
A	105·9	111	106·6		138	119	100	109
M	103·9	111	104·5		132	117	99	106
J								

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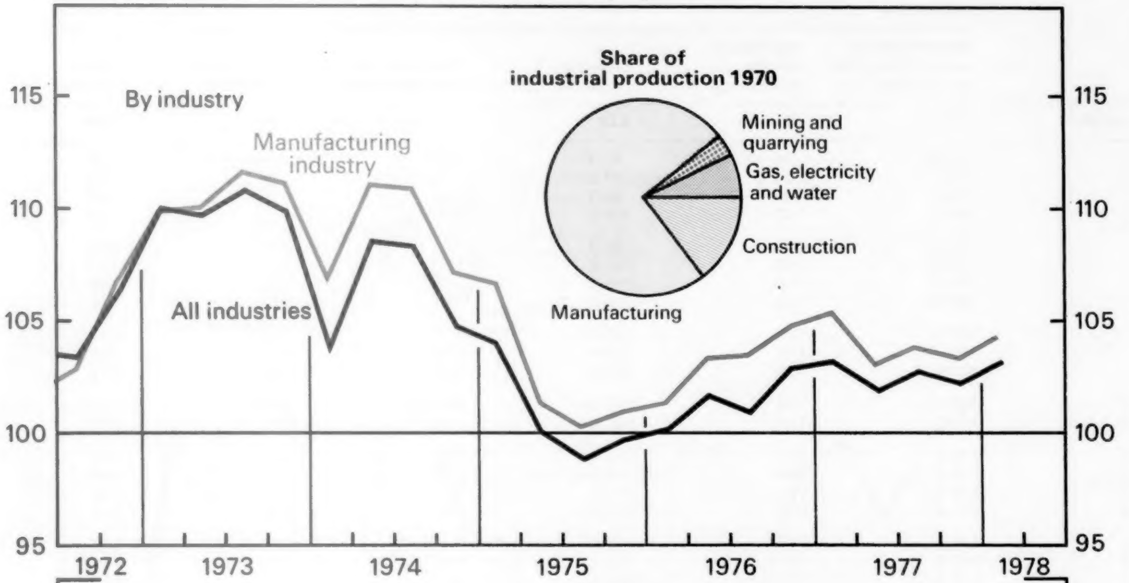
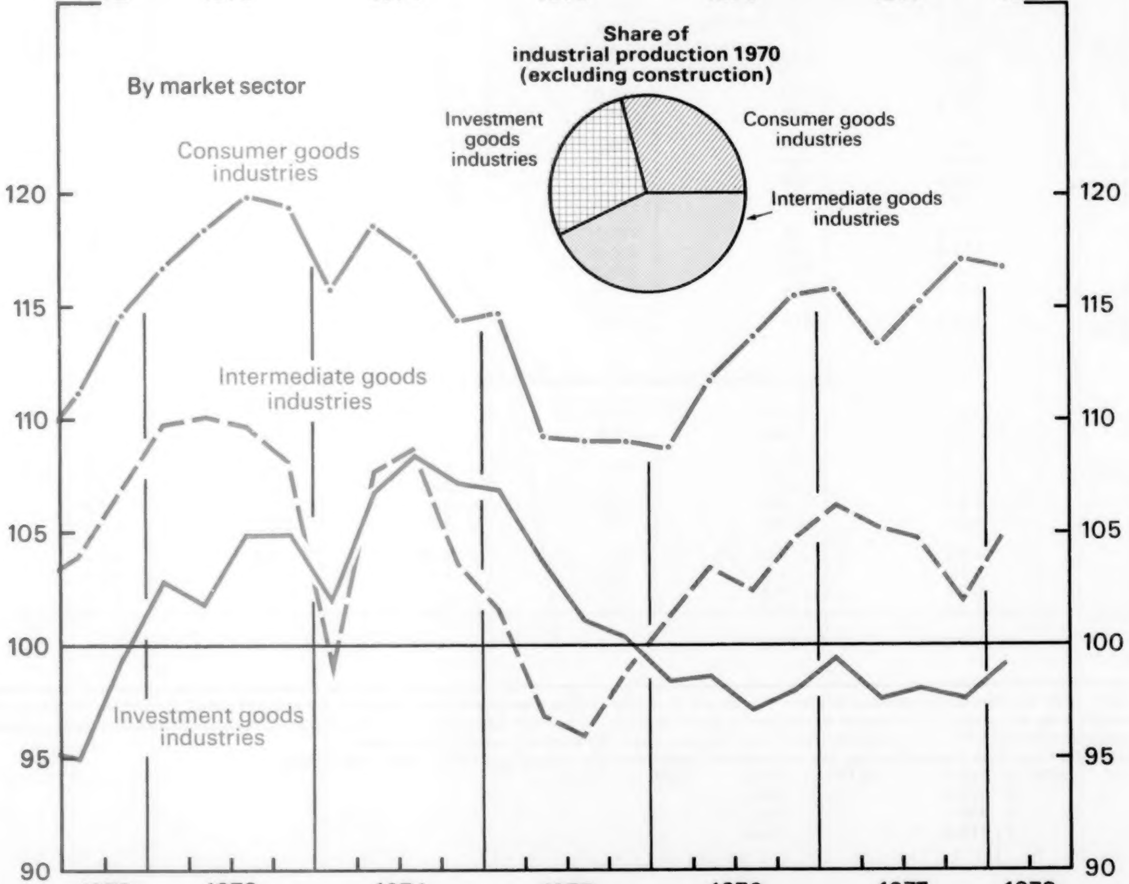
[1] All industries other than construction.

[2] For an index of construction output for Great Britain, incorporating the latest available information see page 30.

1970 = 100, seasonally adjusted





Index numbers of output

Seasonally adjusted

1970=100

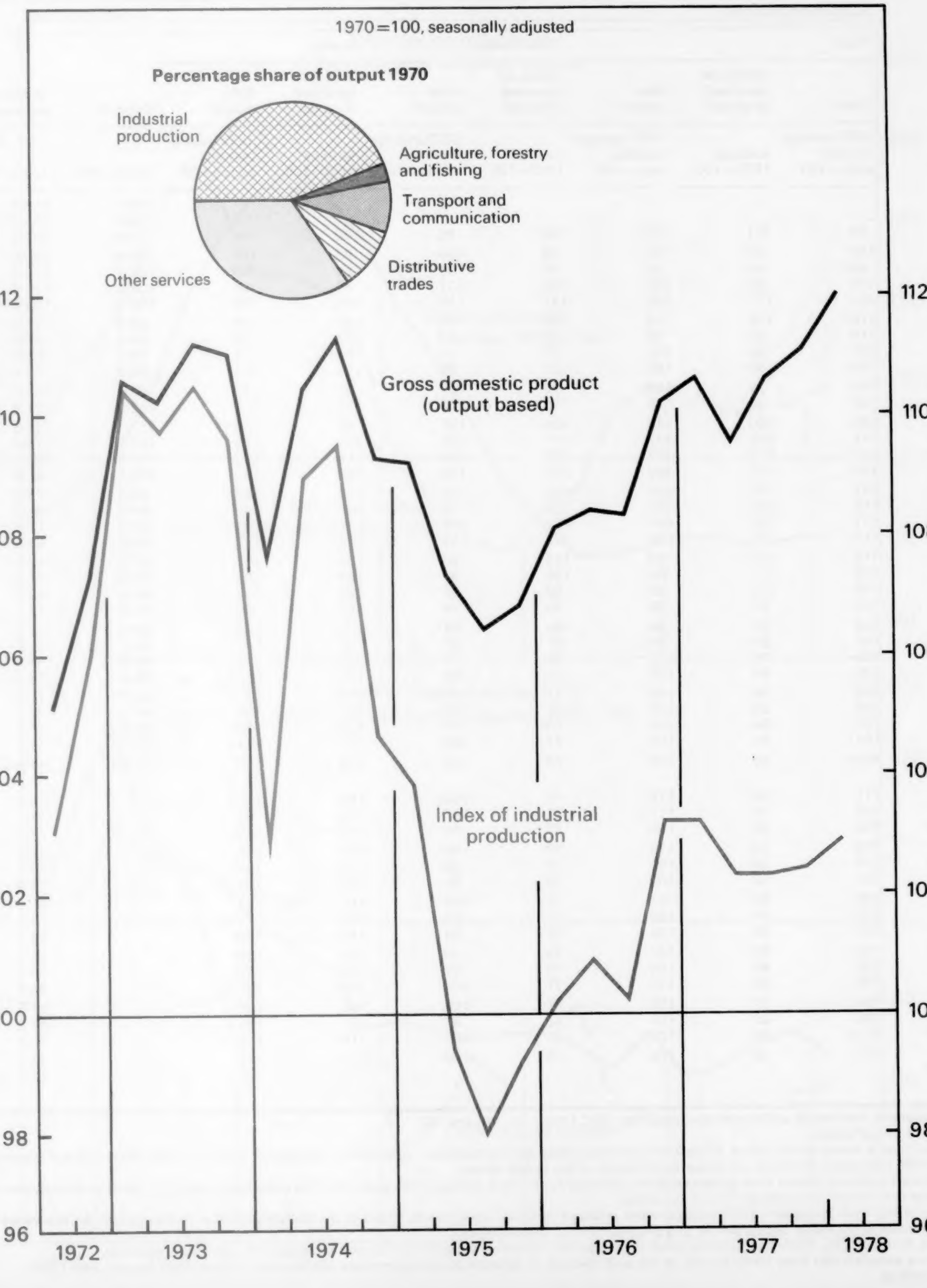
	Gross domestic product (based on output data)[1],[2]§	Agriculture, forestry and fishing	Industrial production[1]§	Transport and communication	Distributive trades	Other services
1970 weights	*1,000*	*30*	*439*	*84*	*104*	*343*
1967	92·5	94	91·7	89	94	95
1968	96·4	94	97·2	92	97	96
1969	98·3	95	99·9	96	98	97
1970	100·0	100	100·0	100	100	100
1971	101·5	106	99·9	103	102	103
1972	104·4	108	101·8	108	107	106
1973	110·7	111	110·0	116	114	109
1974	109·6	116	106·4	116	112	111
1975	107·4	111	100·1†	117	110	114
1976	108·7	101	101·1	118	110	116
1977	110·4	106	102·6	124†	109	118
1972 *3*	105·1	108	102·9†	109	108	106
4	107·2	108	105·9	111	111	107
1973 *1*	110·6	109	110·4	115	115	109
2	110·2	109	109·6	116	112	109
3	111·1†	113	110·5	117	114	110
4	111·0	114	109·5	118	115	110
1974 *1*	107·5	115	102·6	115	112	110
2	110·4	115	108·9	117	110	111
3	111·3	116	109·5	117	114	111
4	109·3	117	104·7	116	113	112
1975 *1*	109·2	115	103·8	117	113	113
2	107·3	112	99·6	118	110	113
3	106·4	109	98·0	117	107	114
4	106·8	106	99·2	116	108	114
1976 *1*	108·1	104	100·2	117	110	116
2	108·4	104	100·8	117	110	116
3	108·3	100	100·2	118	111	116
4	110·2	97	103·2	120	110	118
1977 *1*	110·6	98	103·2	123	109	118
2	109·5	102	102·3	123	107	117
3	110·6	110	102·3	123	110	118
4	111·1	114	102·4	125	110	119
1978 *1*	112·0	118	102·9	128	112	119
2						
			Percentage change, quarter on corresponding quarter of previous year			
1975 *3*	*−4·4*	*− 5·9*	*−10·5*	—	*−5·6*	*+2·6*
4	*−2·3*	*− 9·5*	*− 5·3*	—	*−4·8*	*+2·1*
1976 *1*	*−1·1*	*− 9·2*	*− 3·5*	*− 0·2*	*−2·5*	*+2·7*
2	*+1·0*	*− 7·7*	*+ 1·2*	*− 0·6*	*−0·8*	*+2·4*
3	*+1·8*	*− 7·8*	*+ 2·2†*	*+ 0·9*	*+3·5*	*+1·8*
4	*+3·2*	*− 8·5*	*+ 4·0*	*+ 3·8*	*+2·7*	*+3·1*
1977 *1*	*+2·3*	*− 5·8†*	*+ 3·0*	*+ 5·4†*	*−0·8*	*+2·2*
2	*+1·0*	*− 1·4*	*+ 1·5*	*+ 5·1*	*−2·6*	*+0·8*
3	*+2·1*	*+ 9·2*	*+ 2·1*	*+ 4·1*	*−1·3*	*+2·0*
4	*+0·8*	*+17·5*	*− 0·8*	*+ 4·0*	*−0·7*	*+1·0†*
1978 *1*	*+1·3*	*+20·0*	*− 0·3*	*+ 4·3*	*+2·4*	*+0·6*
2						

---

[1] As from 1970 the figures are adjusted to allow for the use of delivery rather than production indicators to represent output in certain industries within manufacturing. An analysis of industrial production is given on page 26, but will differ from the series shown here because the adjustment included is not available monthly. There may also be differences because page 26 includes the latest information.

[2] Total output other than exploration for, and extraction of, petroleum and natural gas (MLH 104) is as follows:

1976	*1*	108·0	1977	*1*	110·2	1978	*1*	111·5
	2	108·2		*2*	109·1			
	3	108·2		*3*	110·1			
	4	109·9		*4*	110·6			


1970=100, seasonally adjusted
Percentage share of output 1970
Industrial production
Agriculture, forestry and fishing
Transport and communication
Distributive trades
Other services
Gross domestic product (output based)
Index of industrial production
112
110
108
106
104
102
100
98
96
1972
1973
1974
1975
1976
1977
1978

Engineering and construction: output and orders

Seasonally adjusted volume index numbers

		Engineering industries[1]							Construction (GB)	
		Total			Home market		Export			
		Sales	Orders on hand end of period	New orders[2]	Orders on hand end of period	New orders[2]	Orders on hand end of period	New orders[2]	Output[3]	Orders received[4,5,6]
		1970 average monthly sales=100	Average 1970=100	1970 average monthly sales=100	Average 1970=100	1970 average monthly sales=100	Average 1970=100	1970 average monthly sales=100	1970=100	1970=100
1967		..	..	..	..	..	..	..	100·3	118·1
1968		..	..	..	..	..	..	..	102·4	108·7
1969		97	101	100	102	99	100	102	101·9	102·6
1970		100	99	100	99	100	99	101	100·0[7]	100·0
1971		99	90	94	92	96	84	90	101·7	106·9
1972		100	96	104	100	107	89	96	103·8	112·9
1973		111	127	129	127	129	128	128	108·5	108·2
1974		115	128	115	122	110	142	128	94·5	77·8
1975		110	97	93	90	89	112	103	86·3	77·0
1976[8]		105	89	101	77	92	116†	124	84·6	82·2
1977		106	90	107	77	98	119	129†	83·3	74·2
1972	*3*	100	93	103	96	107	87	90	102·9	102·0
	4	106	96	112	100	115	89	104	102·5	114·9
1973	*1*	108	100	116	104	121	91	104	112·7	124·5
	2	111	107	127	111	128	100	125	107·8	110·7
	3	112	119	137	121	135	115	143	107·6	106·0
	4	114	127	133	127	130	128	139	105·9	91·6
1974	*1*	111	133	123	128	113	143	148	99·8	75·9
	2	115	136	123	129	116	151	140	97·2	74·2
	3	117	133	111	127	110	148	115	94·2	77·6
	4	116	128	104	122	102	142	110	86·9	83·6
1975	*1*	118	120	99	113	96	134	105	87·3	71·1
	2	110	113	95	106	91	128	106	86·5	74·4
	3	108	105	90	98	86	120	101	85·5	83·0
	4	105	97	88	90	84	112	99	85·9	79·7
1976	*1*	104	92	94	86	88	107†	110	86·0	86·2
	2	106	87†	95†	81	91	102	107	84·4	89·7
	3[8]	105	88	106	79	95	108	135	81·8	76·6
	4	105	89	109	77	95	116	145†	86·1	76·2
1977	*1*	108	90	109	77	100†	119	131	80·7	71·0
	2	106	89	106	75	95	121	134	81·9	72·9
	3	107	89	106	75†	97	120	129	84·5	74·4
	4	104	90	106	77	100	119	124	86·2	78·5
1978	*1*	110†	89	108	76	101	118	127	83·6[8]	80·9
	2									
1977	*J*	111	89†	112	77	104†	116†	131	..	75·4
	F	108	90	111†	77	103	118	133	..	64·1
	M	104	90	103	77	94	119	129	..	73·4
	A	108	90	110	76†	98	120	140	..	69·2
	M	104	90	107	76	95	122	138	..	70·7
	J	107	89	100	75	91	121	124	..	78·8
	J	108	89	105	75	100	119	118		64·3
	A	105	90	109	76	98	120	141		72·5
	S	107	89	103	75	94	120	128		86·4
	O	106	89	107	76	99	120	129		68·3
	N	101	89	100	76	97	118	106		79·1
	D	105	90	113	77	104	119	136†		88·1
1978	*J*	110	89	106	77	105	116	107		81·3
	F	108	90	116	77	99	121	164		83·2
	M	112†	89	103	76	100	118	111		78·3
	A	107	89	104	76	100	117	115		73·4
	M									80·0
	J									

---

[1] Mechanical, instrument and electrical engineering (SIC Orders VII, VIII and IX).

[2] Net of cancellations.

[3] This index is based on an output series which includes repair and maintenance estimates of unrecorded output by small firms and self-employed workers and output by the direct labour departments of the public sector.

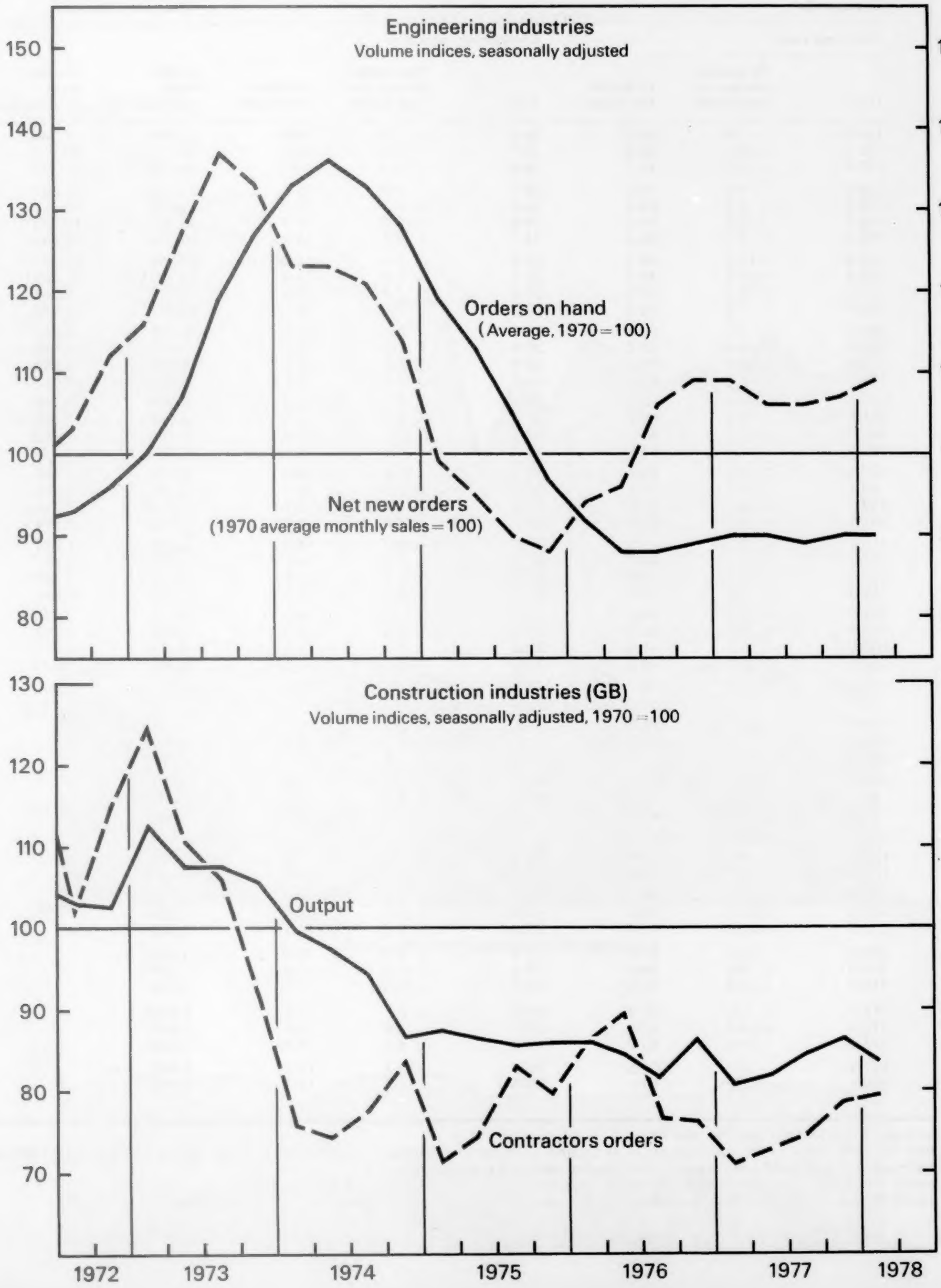
[4] Updated seasonal factors have produced some revisions to the back series; at the same time the opportunity has been taken to incorporate revisions to the data arising from late or revised reporting.

[5] New orders from 3rd quarter 1974 include orders received by firms, mostly small, added to the statistical register in that period. An allowance has been made in the index calculation for this small element of discontinuity.

[6] From April 1976 the index has been adjusted to remove the estimated discontinuity caused by revision to estimation methods.

[7] Output series revised from 1970. Details of the new method of deflation to constant prices will be given in *Economic Trends,* July 1978.

[8] Provisional.


Engineering industries
Volume indices, seasonally adjusted
Orders on hand
(Average, 1970 = 100)
Net new orders
(1970 average monthly sales = 100)
150
140
130
120
110
100
90
80
Construction industries (GB)
Volume indices, seasonally adjusted, 1970 = 100
Output
Contractors orders
130
120
110
100
90
80
70
1972
1973
1974
1975
1976
1977
1978

Motor vehicle production and steel production and consumption

		Seasonally adjusted							
		Thousands[1]						Thousand tonnes	
		Passenger cars §			Commercial vehicles §				
		Total	*Percentage change on year earlier*	*of which:* For export	Total	*Percentage change on year earlier*	*of which:* For export	Crude steel production[2, 3]	Finished steel consumption
1967		129·3	*− 3·2*	47·0	32·1	*−12·2*	11·6	24,279	15,840
1968		151·3	*+17·1*	66·9	34·1	*+ 6·3*	12·5	26,277	16,835
1969		143·1	*− 5·5*	68·7	38·8	*+13·8*	16·1	26,846	17,782
1970		136·7	*− 4·4*	60·2	38·1	*− 1·8*	15·8	27,780[4]	17,637[4]
1971		145·2	*+ 6·2*	59·5	38·0	*− 0·3*	15·7	24,153	16,722
1972		160·1	*+10·3*	51·1	34·0	*−10·6*	11·3	25,293	16,750
1973		145·6	*− 9·1*	50·4	34·7	*+ 2·1*	13·3	26,594	18,445
1974		127·8	*−12·2*	49·7	33·5	*− 3·4*	14·2	22,323	17,548
1975		105·6	*−17·4*	44·3	31·7	*− 5·4*	15·5	19,789[4]	15,446[4]
1976		111·1	*+ 5·2*	47·1	31·0	*− 2·3*	15·8	22,274	15,804
1977		109·7	*− 1·3*	46·9	33·2	*+ 7·0*	16·4	20,411	15.300
1973	*1*	152·2	*− 1·5*	50·8	35·4	*+ 9·9*	12·5	6,671	4,667
	2	140·5	*−12·4*	47·7	33·6	*− 1·2*	12·1	6,415	4,368
	3	144·6	*−10·3*	49·7	35·9	*+11·0*	14·1	6,954	4,599
	4	145·1	*−11·7*	53·5	34·0	*− 9·4*	14·4	6,649	4,811
1974	*1*	123·2	*−19·1*	48·2	29·2	*−17·5*	12·3	5,218	4,357
	2	137·9	*− 1·9*	50·0	33·9	*+ 0·9*	14·0	5,784	4,560
	3	126·8	*−12·4*	50·0	35·8	*− 0·1*	15·6	5,763	4,252
	4	123·5	*−14·9*	50·5	35·3	*+ 3·7*	14·9	5,599	4,379
1975	*1*	123·4	*+ 0·2*	45·5	35·6	*+22·2*	15·8	6,102	4,267
	2	90·1	*−34·7*	43·4	30·6	*− 9·9*	14·7	4,661	3,695
	3	108·0	*−14·8*	47·5	30·6	*−14·7*	15·2	4,231[5]	3,715[5]
	4	101·1	*−18·1*	41·0	30·1	*−14·6*	16·5	4,719	3,769
1976	*1*	116·6	*− 5·5*	49·3	30·7	*−13·9*	16·3	5,480	4,076
	2	111·4	*+23·6*	44·7	31·6	*+ 3·3*	16·1	5,731	3,887
	3	106·4	*− 1·5*	45·3	30·5	*− 0·2*	15·6	5,375	3,785
	4	110·0	*+ 8·9*	49·0	31·2	*+ 3·7*	15·2	5,650	4,056
1977	*1*	105·4	*− 9·7*	49·3	34·7	*+13·2*	18·6	5,417	3,744
	2	116·9	*+ 5·0*	49·9	32·4	*+ 2·5*	16·3	4,908	3,758
	3	108·8	*+ 2·3*	41·9	33·9	*+11·0*	16·5	5,419	3,974
	4	107·5	*− 2·3*	46·5	31·8	*+ 1·7*	14·3	4,641	3,824
1978	*1*	116·8	*+10·8*	49·2	33·7	*− 3·1*	16·1	4,957†	4,042[7]
	2								
1976	*O*	115·0	*+21·2*	48·0	31·6	*+ 3·0*	16·1	1,718	. .
	N	113·6	*+11·3*	50·3	33·6	*+13·7*	16·2	1,849	. .
	D	101·4	*− 4·5*	48·6	28·5	*− 5·4*	13·2	2,083[6]	. .
1977	*J*	120·7	*+22·0*	57·6	36·7	*+27·3*	19·1	1,803	. .
	F	98·6	*−22·8*	47·1	33·3	*+ 5·4*	17·9	1,631	. .
	M	96·9	*−21·5*	43·2	34·2	*+ 8·2*	18·6	1,983[6]	. .
	A	121·5	*+18·4*	51·6	32·2	*+ 5·2*	17·5	1,453	. .
	M	121·6	*+ 6·5*	53·0	35·9	*+ 9·9*	17·8	1,536	. .
	J	107·6	*− 8·3*	45·0	29·2	*− 7·7*	13·5	1,919[6]	. .
	J	105·3	*−19·5*	40·7	33·4	*+ 1·8*	16·6	1,703	. .
	A	101·6	*+20·2*	35·7	34·3	*+25·7*	16·7	1,996[6]	. .
	S	119·6	*+15·0*	49·4	33·9	*+ 7·9*	16·1	1,720	. .
	O	103·0	*−10·5*	47·6	33·3	*+ 5·3*	15·2	1,506	. .
	N	103·9	*− 8·5*	46·0	29·9	*−11·0*	12·8	1,846[6]	. .
	D	115·7	*+14·0*	45·9	32·1	*+12·7*	15·0	1,289	. .
1978	*J*	112·2	*− 7·1*	46·9	33·5	*− 8·7*	16·3	1,340†	. .
	F	112·4	*+13·9*	43·9	31·1	*− 6·9*	15·2	1,523	. .
	M	125·9	*+30·0*	56·8	36·4	*+ 6·5*	16·9	2,094[6]	. .
	A	121·4	*− 0·1*	50·6	36·3	*+12·8*	16·7	1,688	. .
	M	106·2	*−12·6*	40·1	35·4	*− 1·4*	15·2	2,007[6]	. .
	J								

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[1] Monthly averages or standardised calendar months.

[2] From January 1974 the totals are for 'useable steel' in accordance with the system used by the EEC and the International Iron and Steel Institute.

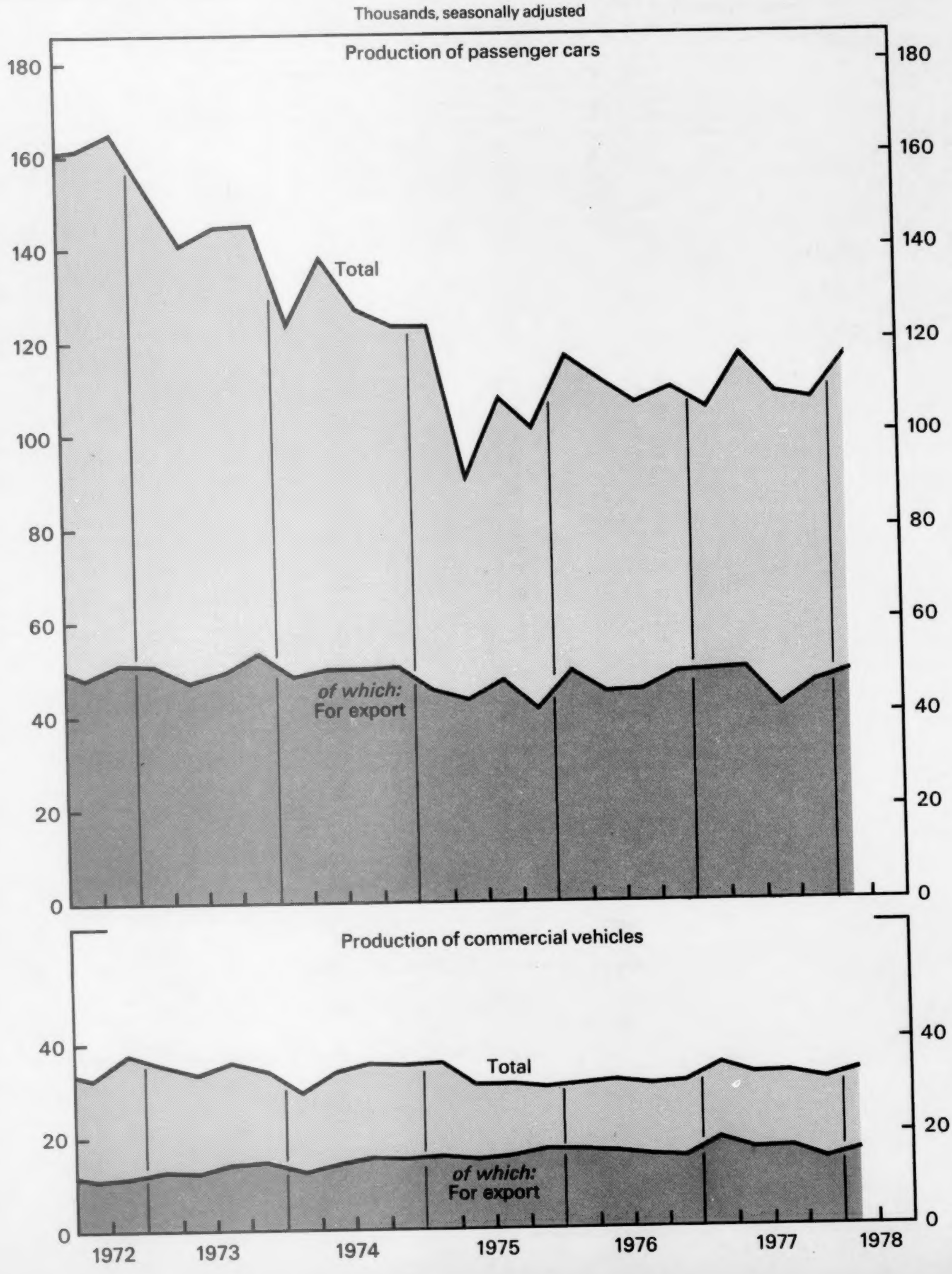
[3] The seasonally adjusted quarterly figures are not constrained to sum to the annual totals.

[4] 53-week period; reduced to 52-week basis for comparison purposes.

[5] 14-week period; reduced to 13-week basis for comparison purposes.

[6] Five-week periods.

[7] Provisional


Thousands, seasonally adjusted
Production of passenger cars
Total
of which:
For export
180
160
140
120
100
80
60
40
20
0
Production of commercial vehicles
Total
of which:
For export
40
20
0
1972
1973
1974
1975
1976
1977
1978

34

Output per person employed

Seasonally adjusted

1970=100

		Total employed labour force	Employment		Output per person employed[1]		
			Index of production industries	Manufacturing industries	Whole economy	Index of production industries	Manufacturing industries
1967		100·9	101·9	99·6	91·6	90·0	90·2
1968		100·5	101·6	99·0	95·9	95·7	97·0
1969		100·4	101·4	100·3	97·9	98·5	99·3
1970		100·0	100·0	100·0	100·0	100·0	100·0
1971		98·3	96·9	96·7	103·3	103·3	102·8
1972		99·0	94·7	93·6	105·5	108·0	109·0
1973		101·1	95·8	94·1	109·5	114·8†	117·4
1974		101·3	95·5	94·3	108·2	111·3	115·5
1975		100·7	91·5	90·1	106·7	109·9	113·4
1976		100·2[2]	89·3[2]	87·3[2]	108·5[2]	113·4	118·2[2]
1977		100·5	89·5	88·1	109·9	114·5	117·8†
1971	*1*	98·6	98·4	98·6	101·6	101·3	100·6
	2	98·6	97·4	97·3	102·8	103·3	102·9
	3	97·9	96·4	96·1	104·1	103·7	103·3
	4	97·9	95·4	94·9	104·7	104·9	104·3
1972	*1*	98·5	94·8	94·0	102·4	102·0	103·2
	2	98·6	94·6	93·6	106·0	108·7	108·7
	3	99·0	94·5	93·5	106·2	109·4	109·9
	4	99·7	94·8	93·3	107·5	112·1	114·4
1973	*1*	100·9	95·5	93·7	109·6	115·2	117·1
	2	101·0	95·8	94·0	109·1	114·5	117·0
	3	101·1	95·9	94·2	109·9	115·4	118·4
	4	101·2	95·9	94·5	109·7	114·4	117·5
1974	*1*	101·0	95·7	94·3	106·4	108·4	113·1
	2	101·3	95·6	94·5	109·0	113·4	117·5
	3	101·6	95·3	94·5	109·5	113·7	117·2
	4	101·4	95·3	93·8	107·8	109·7	114·1
1975	*1*	100·9	93·2	92·5	108·2	111·5	115·1
	2	100·8	91·8	90·7	106·4	108·9	111·7
	3	100·6	91·0	89·1	105·8	108·6	112·6
	4	100·4	90·0	87·9	106·4	110·7	114·8
1976	*1*	100·1	89·6	87·3	108·0	111·7	115·9
	2	100·1	89·3	87·1	108·3	113·7	118·6
	3[2]	100·2	89·2	87·3	108·1	113·1	118·4
	4	100·4	89·2	87·5	109·8	115·4	119·5
1977	*1*	100·5	89·5	87·9	110·0	115·3	119·8
	2	100·6	89·8	88·3	108·8	113·5	116·5
	3	100·5	89·6	88·3	110·0	114·6	117·4
	4	100·5	89·2	87·9	110·5	114·6	117·4
1978	*1*	100·6	89·4	88·0	111·3	115·4	118·3
	2						
		Percentage change, quarter on corresponding quarter of previous year					
1975	*3*	*−1·0*	*−4·5*	*−5·7*	*−3·4*	*−4·5†*	*−3·9*
	4	*−1·0*	*−5·6*	*−6·3*	*−1·3*	*+0·9*	*+0·6*
1976	*1*	*−0·8*	*−3·9*	*−5·6*	*−0·2*	*+0·2*	*+0·7*
	2	*−0·7*	*−2·7*	*−4·0*	*+1·8*	*+4·4*	*+6·2*
	3	*−0·4*	*−2·0*	*−2·0*	*+2·2*	*+4·1*	*+5·2*
	4	—	*−0·9*	*−0·5*	*+3·2*	*+4·2*	*+4·1*
1977	*1*	*+0·4*	*−0·1*	*+0·7*	*+1·9*	*+3·2*	*+3·4*
	2	*+0·5*	*+0·6*	*+1·4*	*+0·5*	*−0·2*	*−1·8*
	3	*+0·3*	*+0·4*	*+1·1†*	*+1·8*	*+1·3*	*−0·8*
	4	*+0·1*	—	*+0·5*	*+0·6*	*−0·7*	*−1·8*
1978	*1*	*+0·1*	*−0·1*	*+0·1*	*+1·2*	*+0·1*	*−1·3*
	2						

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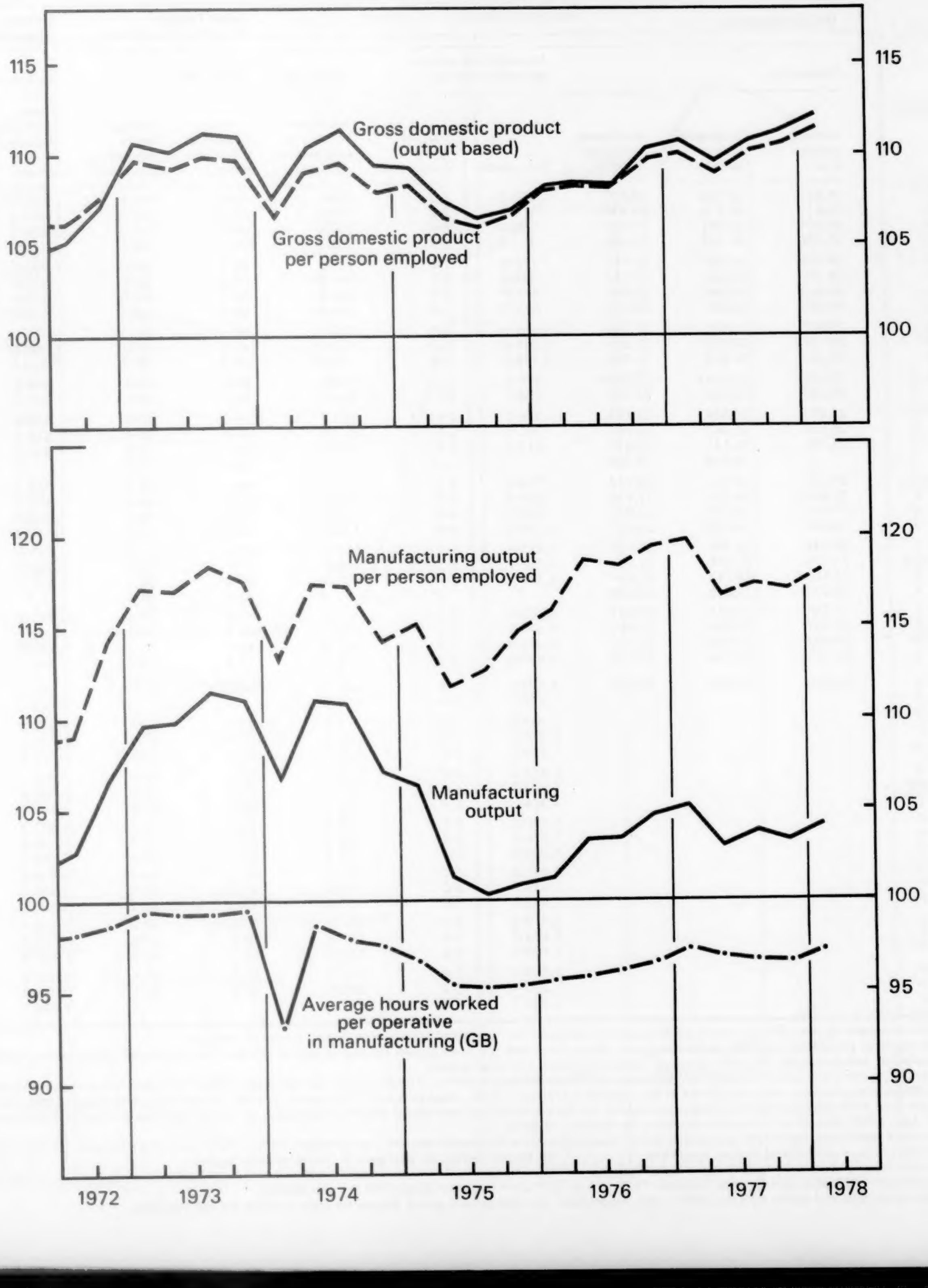
[1] The ratios do not take into account part-time working or hours of work.

[2] Figures after June 1976 are provisional.

1970=100, seasonally adjusted



National employment and unemployment[1]

	Seasonally adjusted								Unadjusted
	United Kingdom						Great Britain Manufacturing industry		United Kingdom
	Thousands			Unemployed excluding school leavers		Thousands	1970=100		Thousands
	Working population[2]	Employed labour force[2]	Employees in employment[2,3]	Thousands	Percentage of employees[4]	Vacancies notified to employment offices§	Employees in employment[2,3]	Average hours worked per operative[8]	Total unemployed including school leavers
1967	25,526	24,980	22,801	547·2	*2·3*	175·1	99·9	100·2	556·7
1968	25,412	24,826	22,640	574·4	*2·4*	189·5	99·0	100·9	583·3
1969	25,406	24,841	22,608	566·3	*2·4*	202·0	100·3	101·0	576·2
1970	25,336	24,732	22,458	602·0	*2·6*	188·3	100·2	100·0	612·2
1971	25,166	24,390	22,113	775·8	*3·4*	130·9	96·8	98·1	792·1
1972	25,243	24,384	22,114	854·9	*3·7*	147·3	93·4	97·6	875·6
1973	25,599	24,969	22,661	611·0	*2·6*	307·0	94·0	99·4	618·8
1974	25,656	25,061	22,791	599·7[5]	*2·6*[5]	301·6[5]	94·6	96·7	614·9[5]
1975	25,846	24,931	22,709	929·1	*3·9*	148·1[5]	90·0	95·6	977·6
1976	26,136†	24,761	22,539	1,269·9[5]	*5·3*[5]	120·0[6]	87·1	96·0	1,358·8[5]
1977	26,367	24,874	22,661	1,378·1	*5·8*	155·6[5]	88·4	96·9	1,483·6
1973 *3*	25,537†	25,004†	22,704†	578·8	*2·5*	336·0	94·0	99·4	568·5
4	25,540	25,030	22,739	524·7	*2·3*	360·7	94·7	99·5	521·9
1974 *1*	25,580	24,984	22,704	574·5	*2·5*	292·6	94·2	93·0	624·9
2	25,656	25,061	22,791	581·6	*2·5*	317·9	94·6	98·6	570·2
3	25,752	25,141	22,879	613·0	*2·6*	308·2	94·3	97·9	628·3
4	. .[7]	25,076	22,828	. .[7]	. .[7]	. .[7]	93·3	97·5	. .[7]
1975 *1*	25,760	24,965	22,732	735·2	*3·1*	. .[7]	92·0	96·7	788·7
2	25,846	24,931	22,709	858·5	*3·6*	163·0	90·0	95·3	853·8
3	25,971	24,879	22,653	994·6	*4·2*	133·8	88·6[8]	95·2	1,095·5
4	26,028	24,822	22,597	1,128·2	*4·8*	115·5	87·7	95·3	1,172·3
1976 *1*	26,048	24,756	22,533	1,219·9	*5·1*	114·7	87·1	95·5	1,297·5
2	26,136	24,761	22,539	1,260·7	*5·3*	118·1	87·1	95·8	1,294·9
3	26,166[8]	24,775	22,551[8]	1,300·1	*5·4*	125·0	87·3	96·1	1,473·7
4	26,207	24,828	22,608	. .[9]	. .[9]	. .[7]	87·6	96·5	. .[9]
1977 *1*	26,246	24,847	22,631	1,329·5	*5·6*	. .[7]	88·0	97·4	1,417·8
2	26,367	24,874	22,661	1,340·6	*5·6*	157·7	88·4	96·9	1,394·7
3	26,402	24,864	22,650	1,414·6	*5·9*	151·9	88·1	96·7	1,622·4
4	26,347	24,856	22,646	1,427·8	*6·0*	160·1	87·9	96·6	1,499·4
1978 *1*	26,362	24,879	22,672	1,409·4	*5·9*	187·7	88·0	97·3	1,506·1
2				1,372·7	*5·7*	210·3			1,428·2
1977 *J*	. .	. .	. .	1,329·9	*5·6*	. .[7]	87·7	97·2	1,448·2
F	. .	. .	. .	1,330·0	*5·6*	148·8	87·9	97·6	1,421·8
M	. .	. .	. .	1,328·5	*5·6*	154·0	88·0	97·3	1,383·5
A	. .	. .	. .	1,333·8	*5·6*	155·5	88·2	96·9	1,392·3
M	. .	. .	. .	1,323·8	*5·5*	159·4	88·3	97·0	1,341·7
J	. .	. .	. .	1,364·3	*5·7*	158·1	88·4	96·8	1,450·1
J	. .	. .	. .	1,398·5	*5·9*	155·2	88·4	96·8	1.622·4
A	. .	. .	. .	1,410·3	*5·9*	153·4	88·2	97·0	1,635·8
S	. .	. .	. .	1,434·9	*6·0*	147·2	88·1	96·4	1,609·1
O				1,431·5	*6·0*	156·0	88·0	96·7	1,518·3
N	. .	. .	. .	1,429·6	*6·0*	159·4	87·9	96·5	1,499·1
D	. .	. .	. .	1,422·3	*6·0*	165·0	87·9	96·7	1,480·8
1978 *J*	. .	. .	. .	1,419·2	*5·9*	180·3	87·9	97·2	1,548·5
F	. .	. .	. .	1,409·0	*5·9*	187·0	88·0	97·1	1,508·7
M	. .	. .	. .	1,400·0	*5·9*	195·8	88·0	97·5	1,461·0
A	. .	. .	. .	1,387·1	*5·8*	203·7	87·9	97·1	1,451·8
M	. .	. .	. .	1,366·4	*5·7*	209·9	87·8	97·1	1,386·8
J	. .	. .	. .	1,364·7	*5·7*	217·4			1,446·1

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[1] Unemployment figures do not include adult students registered for temporary employment during a current vacation.

[2] The working population consists of the employed labour force and the unemployed (including school-leavers); the employed labour force includes employers, self-employed and HM Forces as well as employees in employment.

[3] From 1971, the employees in employment estimates are based on annual census of employment. For the years before 1971 estimates are taken from the continuous employment series published in the October 1975 issue of the *Department of Employment Gazette*. Annual estimates relate to mid-year. From June 1976 the employee in employment figures for the UK which are provisional until the publication of the results of the Census of Employment for June 1977, include a constant component for Northern Ireland.

[4] The base used in calculating the percentage rate of unemployment is the appropriate mid-year estimate of total employees (employed and unemployed): the latest figure available is that for mid-1976.

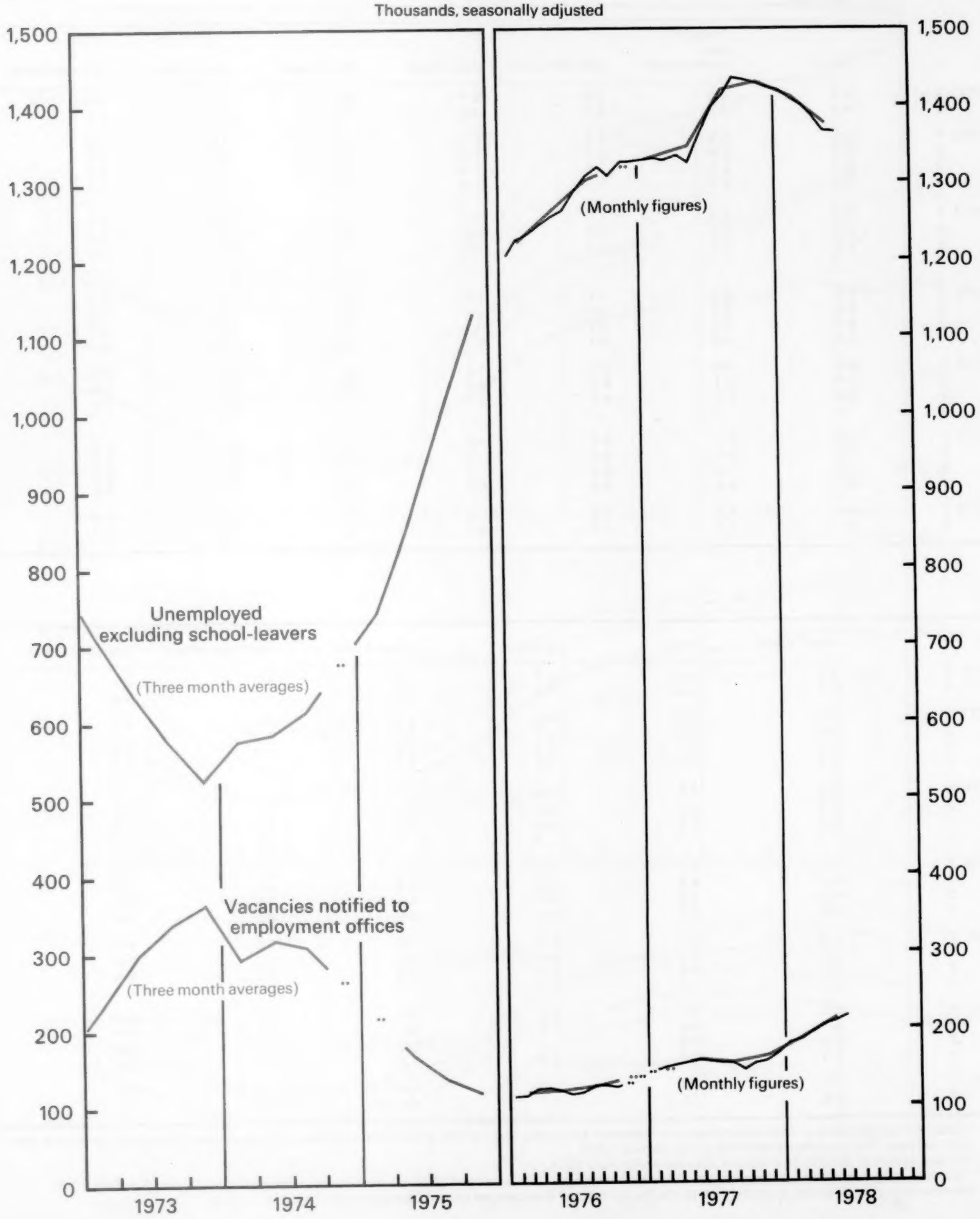
[5] The figures shown are averages of eleven months figures.

[6] The figures shown are averages of ten months figures.

[7] Figure not available due to industrial action. For further details see note to page 129 of the *Department of Employment Gazette*, February 1975.

[8] Estimates after June 1976 are provisional.

[9] Because of industrial action by some staff in the Department of Employment group, figures for these months are not available.


Thousands, seasonally adjusted
1,500
1,400
1,300
1,200
1,100
1,000
900
800
700
600
500
400
300
200
100
0
Unemployed excluding school-leavers
(Three month averages)
Vacancies notified to employment offices
(Three month averages)
(Monthly figures)
(Monthly figures)
1973
1974
1975
1976
1977
1978

38

Regional unemployment rates[1]

Seasonally adjusted

Per cent

		North[2]	Yorkshire and Humberside[2]	East Midlands[2]	East Anglia	South East[2]	South West[2]	West Midlands
1972	*3*	6·0	4·0	2·9	2·7	2·1	3·2	3·4
	4	5·7	3·7	2·7	2·5	1·9	3·0	3·1
1973	*1*	5·0	3·2	2·3	2·1	1·7	2·6	2·6
	2	4·7	2·9	2·1	1·9	1·5	2·4	2·2
	3	4·3	2·6	1·9	1·8	1·4	2·3	2·0
	4	3·9	2·3	1·8	1·6	1·3	2·1	1·7
1974	*1*	4·3	2·6	2·0	1·7	1·5	2·3	2·0
	2	4·3	2·5	2·0	1·8	1·5	2·5	2·0
	3	4·5	2·6	2·2	2·0	1·6	2·7	2·1
	4	..[3]	..[3]	..[3]	..[3]	..[3]	..[3]	..[3]
1975	*1*	4·8	3·0	2·7	2·6	2·0	3·6	2·7
	2	5·2	3·5	3·2	3·1	2·4	4·2	3·5
	3	5·7	4·0	3·7	3·6	2·9	4·8	4·2
	4	6·2	4·6	4·1	4·1	3·4	5·4	5·0
1976	*1*	6·4	4·9	4·3	4·4	3·8	5·8	5·4
	2	6·7	5·1	4·3	4·5	3·9	6·0	5·4
	3	6·9	5·2	4·6	4·7	4·1	6·1	5·4
	4	..[4]	..[4]	..[4]	..[4]	..[4]	..[4]	..[4]
1977	*1*	7·3	5·1	4·6	4·9	4·2	6·4	5·2
	2	7·4	5·1	4·6	5·0	4·2	6·4	5·3
	3	7·8	5·5	4·9	5·2	4·4	6·7	5·5
	4	8·1	5·6	4·9	5·2	4·4	6·8	5·4
1978	*1*	8·4	5·6	4·9	5·0	4·2	6·6	5·2
	2	8·1	5·6	4·8	4·9	4·1	6·3	5·2

		North West[2]	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
1972	*3*	4·7	4·6	6·1	3·6	7·6	3·7
	4	4·5	4·4	5·9	3·4	7·0	3·4
1973	*1*	4·1	3·8	5·2	3·0	6·6	3·0
	2	3·6	3·5	4·7	2·7	6·2	2·7
	3	3·3	3·2	4·2	2·4	5·7	2·5
	4	2·9	3·0	3·8	2·2	5·3	2·3
1974	*1*	3·2	3·5	3·9	2·4	5·3	2·5
	2	3·2	3·5	3·8	2·4	5·2	2·5
	3	3·4	3·7	3·9	2·6	5·6	2·6
	4	..[3]	..[3]	..[3]	..[3]	5·9	..[3]
1975	*1*	4·1	4·2	4·2	3·1	6·1	3·1
	2	4·7	4·9	4·6	3·6	6·9	3·6
	3	5·3	5·6	5·2	4·1	7·6	4·2
	4	5·9	6·3	5·7	4·7	8·6	4·8
1976	*1*	6·3	6·6	6·0	5·0	8·8	5·1
	2	6·4	6·7	6·4	5·2	9·2	5·3
	3	6·5	6·8	6·7	5·4	9·5	5·4
	4	..[4]	..[4]	..[4]	..[4]	9·6	..[4]
1977	*1*	6·6	7·1	7·3	5·5	9·8	5·6
	2	6·7	7·2	7·4	5·5	10·0	5·6
	3	7·0	7·6	7·8	5·8	10·4	5·9
	4	7·1	7·9	8·0	5·9	10·4	6·0
1978	*1*	7·0	7·9	8·0	5·8	10·8	5·9
	2	6·9	7·8	7·7	5·6	11·0	5·8

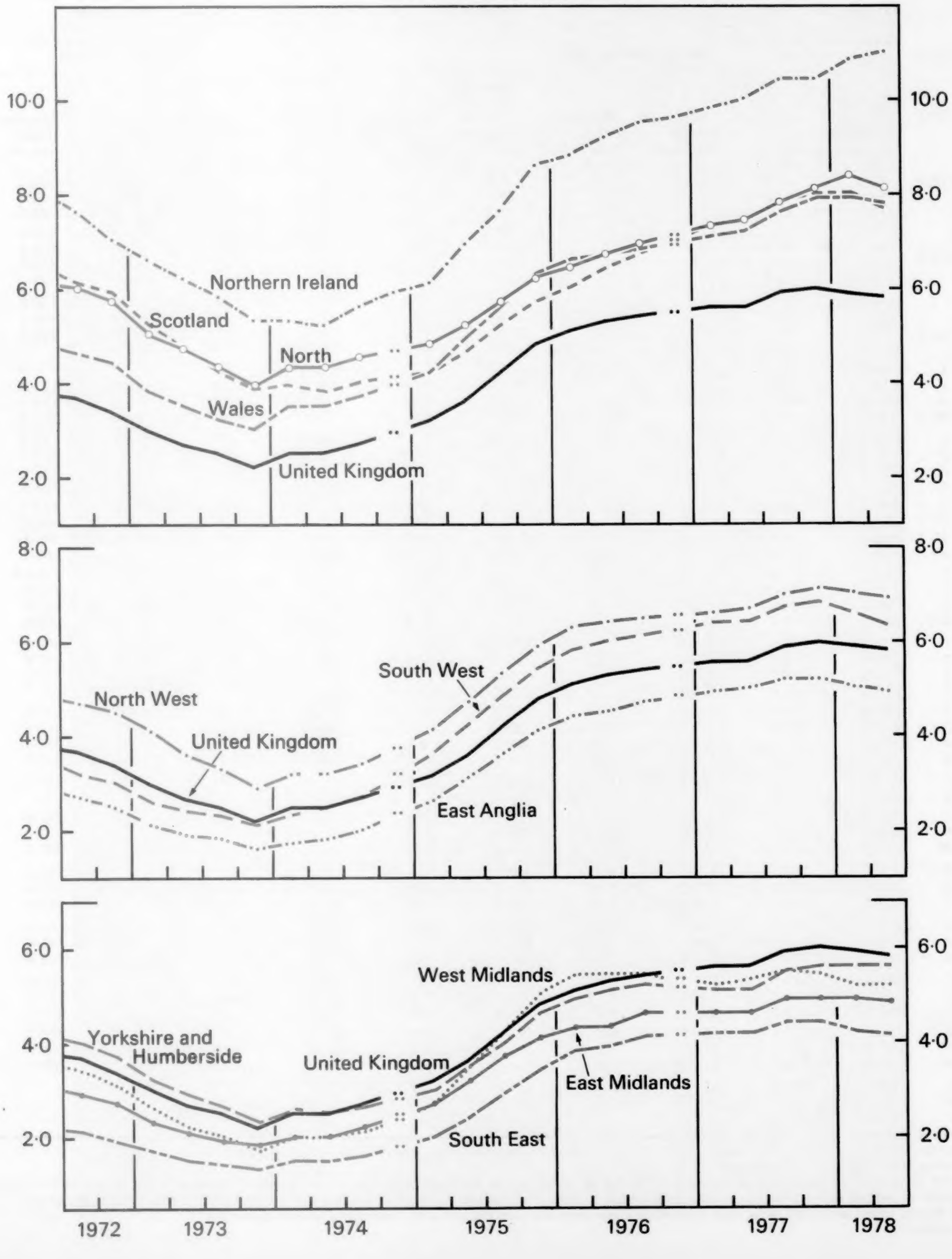
[1] Numbers unemployed excluding school-leavers expressed as a percentage of the appropriate mid-year estimate of total employees (employed and unemployed). The latest figure available is that for mid-1976.

[2] The boundaries of the standard regions were revised in April 1974.

[3] Figure not available due to industrial action. For further details see note on page 129 of the *Department of Employment Gazette*, February 1975.

[4] Because of industrial action by some staff in the Department of Employment group, figures are not available.

Percentage rates, seasonally adjusted



Wage rates and earnings

		Unadjusted				**Seasonally adjusted**					
		31 July 1972 =100[1]		**January 1976 =100**		**January 1970 =100**				**1970 =100**	
		Basic weekly wage rates (manual workers)		Average earnings (GB)						Wages and salaries per unit of output	
		All industries and services	Manufacturing industry	New series: whole economy	*Percentage increase on year earlier*	Older series: production industries and some services	*Percentage increase on year earlier*	Manufacturing industry	*Percentage increase on year earlier*	Whole economy	Manufacturing industry
1967		63·9	63·6	..	..	81·8	*3·6*	81·1	*3·6*	86·2	82·9
1968		68·1	68·4	..	..	88·2	*7·8*	87·8	*8·2*	88·2	83·1
1969		71·7	72·1	..	..	95·2	*7·8*	94·9	*8·1*	91·1†	88·4
1970		78·8	79·4	..	..	106·7	*12·1*	107·0	*12·7*	100·0	100·0
1971		89·0	89·3	..	..	118·7	*11·3*	118·9	*11·2*	109·0	108·8
1972		101·3	101·5	..	..	134·1[2]	..[3]	134·2[2]	..[3]	118·7	113·4
1973		115·2	114·6	..	..	152·1	..[3]	151·5	..[3]	128·2	121·2
1974		138·0	134·3	..	..	179·1†	*17·8*	177·5	*17·2*	157·9	150·0
1975		178·7	174·4	..	..	226·6	*26·5*	223·8	*26·1*	205·7	195·7
1976		213·2	209·0	106·0	..	261·9	*15·6*	260·8	*16·5*	227·3	221·0
1977		227·2	218·9	115·6	*9·0*	288·5	*10·2*	287·6	*10·3*	246·3	
1972	*1*	96·0	95·5	..	..	126·4[3]	..[3]	126·8[3]	..[3]	116·5	..[3]
	2	98·1	98·2	..	..	130·7	*11·6*	131·4	*11·9*	116·8	112·8
	3	103·4	104·6	..	..	134·9	*12·1*	135·7	*12·7*	119·3†	114·6
	4	107·9	107·6	..	..	141·5	*15·5*	140·5	*14·4*	122·1	114·4
1973	*1*	108·7	108·1	..	..	144·4	..[3]	143·7	..[3]	121·7	114·7
	2	113·4	111·7	..	..	150·2	*14·9*	149·6	*13·8*	125·2	119·2
	3	118·1	117·8	..	..	154·5	*14·5*	153·6	*13·2*	130·7	122·4
	4	120·6	120·7	..	..	159·2	*12·5*	159·1	*13·3*	135·1	128·6
1974	*1*	124·3	122·7	..	..	157·8[4]	*9·2*[4]	157·4[4]	*9·5*[4]	149·7	133·8
	2	131·7	128·0	..	..	172·5	*14·9*	171·2	*14·5*	148·9	142·7
	3	143·2	139·4	..	..	185·1	*19·9*	184·0	*19·7*	159·6	154·1
	4	152·7	147·1	..	..	199·6	*25·4*	197·5	*24·2*	173·6	169·7
1975	*1*	162·7	155·1	..	..	209·5	*32·7*	207·4	*31·8*	192·5	179·1†
	2	175·3	171·9	..	..	220·2	*27·6*	216·8	*26·6*	199·7	192·6
	3	184·3	180·5	..	..	234·0	*26·4*	230·7	*25·4*	213·2	202·8
	4	192·6	190·1	..	..	242·7	*21·6*	240·6	*21·8*	217·6	208·5
1976	*1*	204·2	201·5	101·0	..	250·8	*19·7*	249·1	*20·1*	220·8	214·5
	2	211·5	209·0	105·2	..	258·7	*17·5*	258·3	*19·2*	224·5	217·9
	3	217·8	212·5	107·9	..	265·4	*13·4*	264·5	*14·7*	231·0	224·0
	4	219·3	213·1	110·1	..	272·6	*12·3*	271·3	*12·8*	232·9	227·7
1977	*1*	223·3	215·7	111·8	*10·7*	280·0	*11·7*	278·5	*11·8*	241·3	234·5
	2	225·9	217·9	114·5	*8·8*	285·3	*10·3*	284·2	*10·0*	240·0	243·9
	3	228·7	220·2	116·2	*7·7*	288·3	*8·7*	287·3	*8·6*	247·4	247·4
	4	231·1	221·7	119·9	*8·9*	300·4†	*10·2*	300·3	*10·7*	256·6	257·1
1978	*1*	237·6†	225·8†	123·1	*10·1*	310·8	*11·0*	311·5	*11·8*	263·6	265·7
	2	259·7	262·9								
1977	*J*	222·5	215·5	110·9	*10·9*	277·9	*12·0*	276·5	*12·2*	..	232·6
	F	223·5	215·7	111·0	*10·3*	279·0†	*11·5*	277·8	*11·8*	..	233·7
	M	223·9	216·0	113·3	*10·8*	283·1	*11·5*	281·3	*11·4*	..	237·2
	A	224·7	216·8	113·1	*9·4*	283·6	*11·1*	283·0	*11·2*	..	240·3
	M	225·5	218·0	114·9	*9·0*	285·7	*10·2*	284·7	*10·0*	..	245·4
	J	227·4	218·9	115·4	*8·2*	286·5	*9·6*	284·9	*9·0*	..	245·9
	J	228·2	219·3	116·2	*8·1*	286·3	*8·9*	285·4	*9·0*	..	247·4
	A	228·8	220·4	115·7	*7·3*	287·7	*8·0*	286·5	*8·1*	..	245·9
	S	229·0	220·9	116·6	*7·7*	291·0	*9·1*	290·0	*8·9*	..	248·9
	O	229·4	221·1	117·9	*8·7*	295·3	*9·6*	294·6	*9·5*	..	253·8
	N	231·1	222·0	120·1	*8·6*	300·5	*10·3*	300·7	*11·4*	..	257·5
	D	232·9	222·0	121·7	*9·4*	304·8	*10·6*	305·6	*11·2*	..	260·9
1978	*J*	236·5	225·4	121·5	*9·5*	306·3	*10·2*	307·9†	*11·4*	..	263·2
	F	237·7	225·7	122·7	*10·5*	311·2	*11·5*	311·6	*12·1*	..	264·9
	M	238·6†	226·3	125·0	*10·4*	314·8	*11·2*	315·0	*12·0*	..	268·9
	A	258·2	261·8	127·2	*12·4*	325·7	*14·8*	327·4	*15·7*	..	
	M	259·2	263·4	129·3[5]	*12·5*[5]	326·8[5]	*14·4*[5]	325·3[5]	*14·3*[5]	..	
	J	261·7	263·6								

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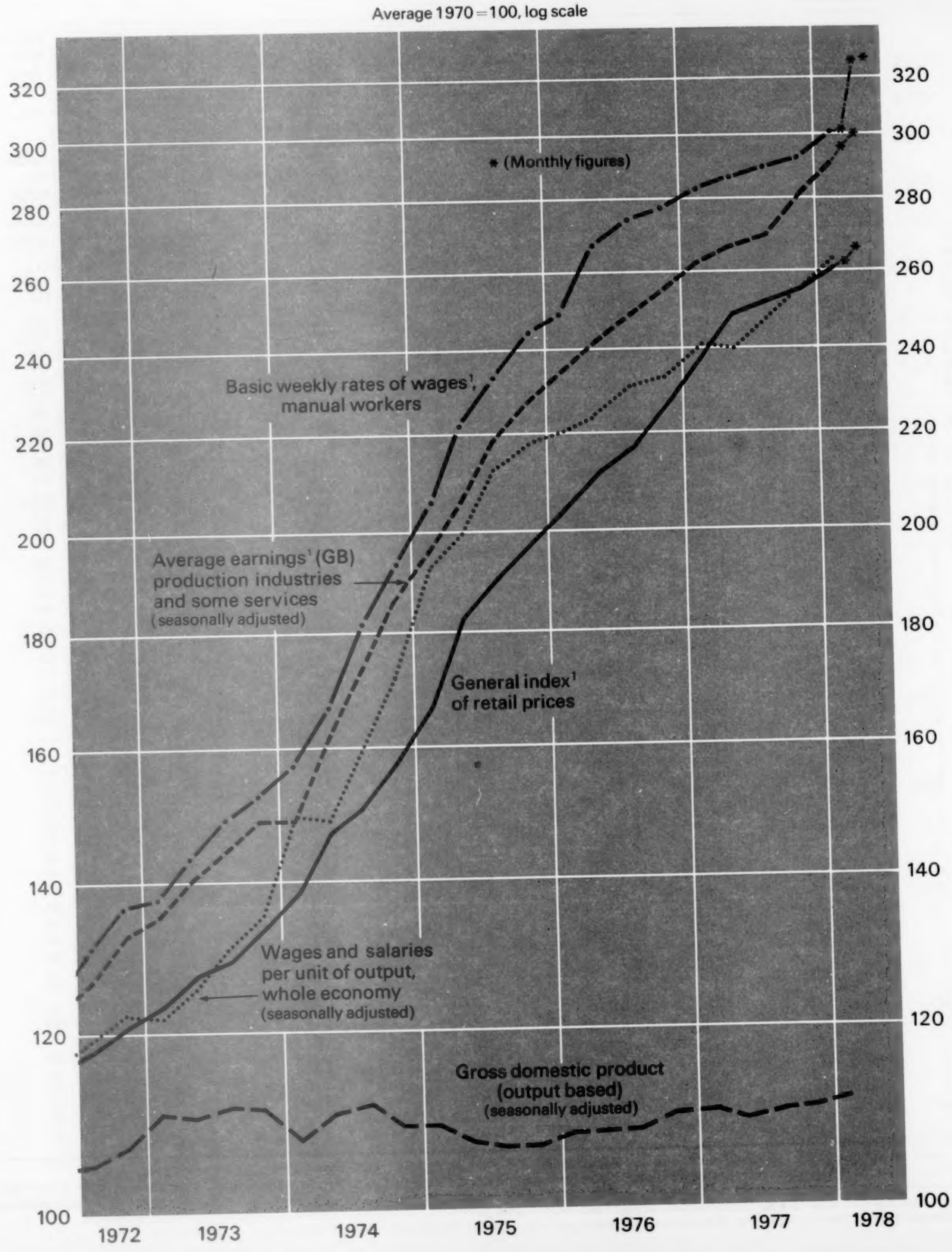
[1] Prior to July 1972 the series was based on 31 January 1956 =100. Figures before July 1972 have therefore been linked.

[2] Average of 11 months. See footnote[3].

[3] In the absence of earnings data for February 1972 due to the effects of the coalmining dispute, no index of wages and salaries per unit of output or index of average earnings has been calculated for that month. The indices calculated for January and March 1972 are less reliable than usual.

[4] The figures reflect temporary reductions in earnings while three-day working and other restrictions were in operation.

[5] Provisional.



[1] Quarterly average of monthly figures.

Prices

Unadjusted

		Average 1970=100										Average 1970=100p
		Wholesale prices index		General index of retail prices						Pensioner price index[1]		
			Output									
		Materials and fuel purchased by manufacturing industry[2]	All manufactured products Home sales[3]	All items				All items other than seasonal food				
				Index	*Percentage increase on year earlier*	Total food	Total non-food	Index	*Percentage increase on year earlier*	One person household	Two person household	Purchasing power of the pound[4]
1967		83·8	86·5	85·2	*2·5*	84·6	85·4	85·2	*2·4*	84·9	85·0	117
1968		91·5	89·9	89·2	*4·7*	87·9	89·6	89·3	*4·8*	88·8	88·8	112
1969		95·0	93·4	94·0	*5·4*	93·5	94·2	93·9	*5·2*	93·5	93·7	106
1970		100·0	100·0	100·0	*6·4*	100·0	100·0	100·0	*6·5*	100·0	100·0	100
1971		104·6	109·0	109·4	*9·4*	111·1	108·9	109·5	*9·5*	110·1	109·9	91
1972		109·2	114·8	117·2	*7·1*	120·9	116·0	117·0	*6·9*	118·5	118·0	85
1973		144·5	123·2	128·0	*9·2*	139·1	124·4	126·7	*8·3*	130·0	130·1	78
1974		215·3	152·0	148·5	*16·1*	164·2	143·4	147·0	*16·0*	150·9	151·1	67
1975		235·4	188·7	184·4	*24·2*	206·1	177·5	182·6	*24·2*	189·8	189·4	54
1976		299·0	219·6	215·0	*16·5*	247·4	205·1	211·4	*15·8*	226·2	225·0	47
1977				249·0	*15·8*	294·4	253·6	245·2	*16·0*	264·2	262·7	40
1972	*1*	105·6	112·1	113·9	*8·0*	117·8	112·6	113·9	*7·9*	115·9	115·3	88
	2	106·1	113·5	116·0	*6·2*	119·0	115·0	115·9	*6·3*	117·3	116·7	86
	3	109·4	115·6	118·0	*6·5*	122·3	116·5	117·8	*6·2*	119·1	118·8	85
	4	115·6	118·0	120·8	*7·7*	124·7	119·6	120·7	*7·4*	122·0	121·4	83
1973	*1*	126·0	119·5	123·0	*8·0*	131·1	120·3	122·2	*7·3*	125·0	124·9	81
	2	133·3	120·1	126·9	*9·3*	137·4	123·5	125·2	*8·1*	129·0	129·1	79
	3	150·9	124·2	128·8	*9·2*	139·8	125·3	127·7	*8·5*	130·2	130·4	78
	4	167·6	129·1	133·2	*10·3*	148·1	128·5	131·8	*9·2*	135·7	135·9	75
1974	*1*	212·5	138·3	138·8	*12·9*	156·2	133·3	137·2	*12·3*	142·2	142·2	72
	2	213·7	148·9	147·0	*15·9*	161·7	142·2	145·3	*16·0*	148·0	148·8	68
	3	212·9	156·1	150·7	*17·0*	164·5	146·1	149·4	*17·0*	152·7	152·9	66
	4	222·1	164·9	157·5	*18·2*	174·3	152·0	156·1	*18·5*	160·7	160·5	64
1975	*1*	220·9	176·0	167·0	*20·3*	188·5	160·2	165·6	*20·7*	170·6	170·3	60
	2	225·6	186·3	182·7	*24·3*	205·9	175·4	180·7	*24·4*	188·9	188·5	55
	3	239·3	193·4	190·7	*26·5*	211·3	184·0	188·7	*26·3*	195·8	195·7	52
	4	256·1	199·1	197·3	*25·3*	218·7	190·3	195·2	*25·0*	203·9	203·1	51
1976	*1*	266·5	206·9	204·5	*22·5*	234·2	195·3	200·9	*21·3*	214·3	213·2	49
	2	292·6	214·4	211·9	*16·0*	242·6	202·6	207·9	*15·1*	222·7	221·3	47
	3	306·8	223·2	216·8	*13·7*	245·5	207·8	214·0	*13·4*	227·0	225·8	46
	4	329·9	233·9	226·8	*15·0*	267·1	214·7	222·6	*14·0*	240·9	239·5	44
1977	*1*	341·5	248·0	238·2	*16·5*	285·7	224·3	233·1	*16·1*	251·8	251·7	42
	2	347·7	259·2	248·8	*17·4*	295·5	235·0	243·9	*17·3*	262·9	262·2	40
	3	340·5	267·7	252·7	*16·5*	297·2	239·6	249·8	*16·7*	268·8	266·5	40
	4	330·6	272·1	256·4	*13·0*	299·0	243·7	254·2	*14·2*	273·2	270·6	39
1978	*1*	326·7	279·0†	260·8	*9·5*	305·1	247·5	258·5	*10·9*	277·8	275·5	38
	2	340·6[5]	284·5[5]	267·9	*7·7*	315·3	253·9	264·9	*8·6*			37
1977	*J*	337·8	244·9	235·9	*16·6*	283·2	222·0	230·9	*15·8*	..	..	42
	F	339·5	248·2	238·2	*16·2*	285·4	224·4	233·0	*15·8*	..	..	42
	M	347·2	250·8	240·5	*16·7*	288·4	226·4	235·4	*16·6*	..	..	42
	A	349·7	255·4	246·6	*17·5*	293·3	232·9	241·4	*17·4*	..	..	41
	M	348·3	259·8	248·6	*17·1*	293·7	235·1	243·9	*17·1*	..	..	40
	J	345·2	262·4	251·1	*17·4*	299·6	237·1	246·4	*17·3*	..	..	40
	J	344·5	265·8	251·4	*17·6*	297·0	238·1	247·9	*17·0*	..	..	40
	A	338·8	268·1	252·7	*16·5*	296·8	239·6	249·8	*16·7*	..	..	40
	S	338·1	269·2	254·1	*15·6*	297·7	241·1	251·6	*16·4*	..	..	39
	O	333·8	271·0	255·1	*14·1*	297·4	242·5	253·0	*15·0*	..	..	39
	N	329·9	272·0	256·3	*13·0*	288·4	243·8	254·3	*14·2*	..	..	39
	D	328·0	273·3	257·8	*12·1*	301·3	244·7	255·3	*13·3*	..	..	39
1978	*J*	324·9	277·1	259·3	*9·9*	303·3	246·0	256·9	*11·3*	..	..	39
	F	324·2	279·2	260·8	*9·5*	305·1	247·6	258·6	*11·0*	..	..	38
	M	331·0	280·6	262·4	*9·1*	306·9	249·0	259·9	*10·4*	..	..	38
	A	337·4	282·7	266·2	*7·9*	311·8	252·7	263·4	*9·1*	..	..	38
	M	341·5[5]	284·6[5]	267·8	*7·7*	314·3	253·9	264·9	*8·6*	..	..	37
	J	342·9[5]	286·2[5]	269·8	*7·4*	319·7	255·1	266·4	*8·1*	..	..	37

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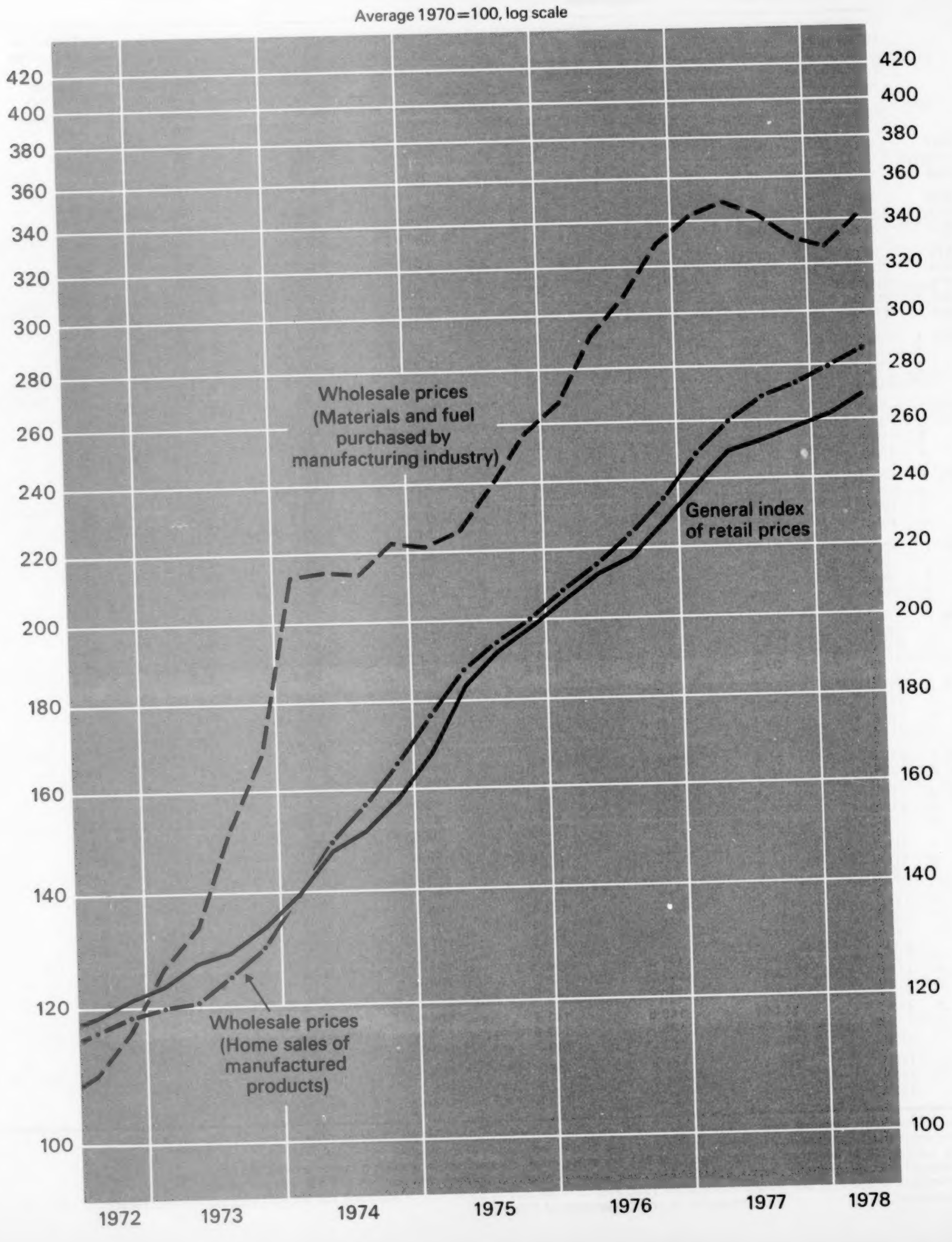
[1] All items except housing. [2] Revised method of calculation to include levies on certain imported foods from 3rd quarter 1971.

[3] Reductions in the VAT-exclusive prices of alcoholic liquor. tobacco and cigarettes, matches and mechanical lighters took place in April 1973. These reductions resulted from lower revenue duties designed to offset additional tax revenue from VAT. With unchanged prices in April for these products index numbers from 2nd quarter 1973 onwards would have been higher by 1·7.

[4] Movements in the purchasing power of the pound are based on movements in the general index of retail prices. [5] Provisional.


Average 1970=100, log scale
420
400
380
360
340
320
300
280
260
240
220
200
180
160
140
120
100
Wholesale prices
(Materials and fuel
purchased by
manufacturing industry)
General index
of retail prices
Wholesale prices
(Home sales of
manufactured
products)
1972
1973
1974
1975
1976
1977
1978

44

Visible trade

		Seasonally adjusted		Unadjusted					
		1975=100		1975=100			1970=100		December 1971=100
		Volume indices[1]		Unit value indices[1]			Export price competitiveness index[3]	World commodity prices index[4]	Sterling effective exchange rate
		Exports	Imports	Exports	Imports	Terms of trade[2]			
1967		61·7	68·1	42·1	33·6	125·3	104·1	80	. .
1968		69·4	75·1	45·5	37·6	121·0	98·1	91	. .
1969		76·2	75·7	47·0	38·8	121·1	98·0[5]	96	. .
1970		79·5	80·2	50·5	40·6	124·4	100·0	100	. .
1971		84·6	83·3	53·3	42·4	125·7	102·2	105	. .
1972		84·5	92·4	56·3	44·7	126·0	102·6	116	95·2
1973		96·8	105·6	63·3	57·1	110·9	94·1	168	86·3
1974		103·9	107·9	81·8	88·5	92·4	93·1	295	83·6
1975		100·0	100·0	100·0	100·0	100·0	96·5	300	77·2
1976		109·9	105·5	120·6	121·9	98·9	94·9	385	65·4
1977		118·9	107·0	142·4	141·4	100·7	100·1[6]†	434†	62·1
1972	*1*	82·9	88·2	55·6	43·4	128·1	105·8	109	99·6
	2	84·8	92·4	56·3	43·8	128·5	105·4	110	99·0
	3	74·8	87·1	58·0	45·8	126·6	101·6	119	92·1
	4	95·4	102·0	58·4	47·5	122·9	97·8	127	90·2
1973	*1*	93·1	101·9	60·4	50·3	120·1	97·3	141	88·8
	2	95·2	103·4	62·3	54·1	115·2	97·8	153	89·3
	3	98·8	106·3	64·9	60·1	108·0	91·2	174	84·2
	4	100·1	110·6	68·1	65·9	103·3	90·7	205	83·0
1974	*1*	100·7	106·5	74·8	79·3	94·3	91·2	298	83·1
	2	105·9	109·5	81·0	88·9	91·1	93·5	287	84·7
	3	107·2	108·9	84·9	91·5	92·8	93·7	292	84·2
	4	102·0	106·8	89·1	94·1	94·7	93·8	303	82·6
1975	*1*	100·9	101·5	95·4	97·3	98·0	93·9	287	81·7
	2	97·0	96·0	97·7	97·9	99·8	95·5	284	79·1
	3	98·0	102·6	101·8	101·7	100·1	96·7	306	75·2
	4	104·1	99·9	105·9	106·6	99·3	97·8	324	73·0
1976	*1*	106·2	100·3	109·7	109·9	99·8	99·3	338	72·0
	2	109·9	106·0	115·9	118·4	97·9	94·4	381	65·8
	3	110·0	108·3	122·9	124·5	98·7	95·2	395	64·1
	4	113·5	107·3	130·2	133·8	97·3	90·6	423	59·6
1977	*1*	115·7	109·1	136·1	137·5	99·0	96·9	440†	61·8
	2	118·0	109·8	141·7	141·3	100·3	98·3	450	61·6
	3	124·1	106·4	146·5	144·0	101·0	100·0	432	61·8
	4	117·9	102·6	147·6	144·2	102·4	104·8[6]	412	63·3
1978	*1*	120·3	114·3	149·6	142·4	105·1		393[6]	65·4
	2	122·8[6]	110·2[6]	153·7[6]	147·2[6]	104·4[6]		415[7]	61·5
1977	*J*	115·2	116·9	134·8	135·8	99·3	. .	. .	61·8
	F	115·2	103·4	135·9	137·2	99·1	. .	. .	61·7
	M	116·5	107·0	137·5	139·7	98·4	. .	. .	61·9
	A	116·2	105·3	140·2	140·5	99·8	. .	. .	61·7
	M	116·0	109·6	142·1	141·1	100·7	. .	. .	61·6
	J	121·9	114·5	142·9	142·3	100·4	. .	. .	61·5
	J	123·1	110·4	144·2	144·4	99·9	. .	. .	61·0
	A	123·4	101·3	146·1	143·9	101·5	. .	. .	62·0
	S	125·9	107·5	146·3	143·9	101·7	. .	. .	62·4
	O	119·4	101·3	147·4	144·9	101·7	. .	. .	62·5
	N	115·3	98·4	147·2	143·8	102·4	. .	. .	63·6
	D	118·9	108·1	148·3	143·8	103·1	. .	. .	63·8
1978	*J*	112·2	114·6†	149·5	141·7	105·5	. .	. .	66·0
	F	127·4	111·3	149·2	142·3	104·8	. .	. .	66·0
	M	121·4	116·9	150·2	143·3	104·8†			64·1
	A	126·1	104·3	151·6	145·7	104·0			61·8
	M	120·1	114·3	154·7	147·2	105·1			61·5
	J	122·1[6]	120·0[6]	154·9[6]	148·8[6]	104·1[6]			61·3

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[1] On a balance of payments basis. These series have been revised. For further details see *Trade and Industry* of 10 February 1978.

[2] Unit value index for exports expressed as a percentage of unit value index for imports.

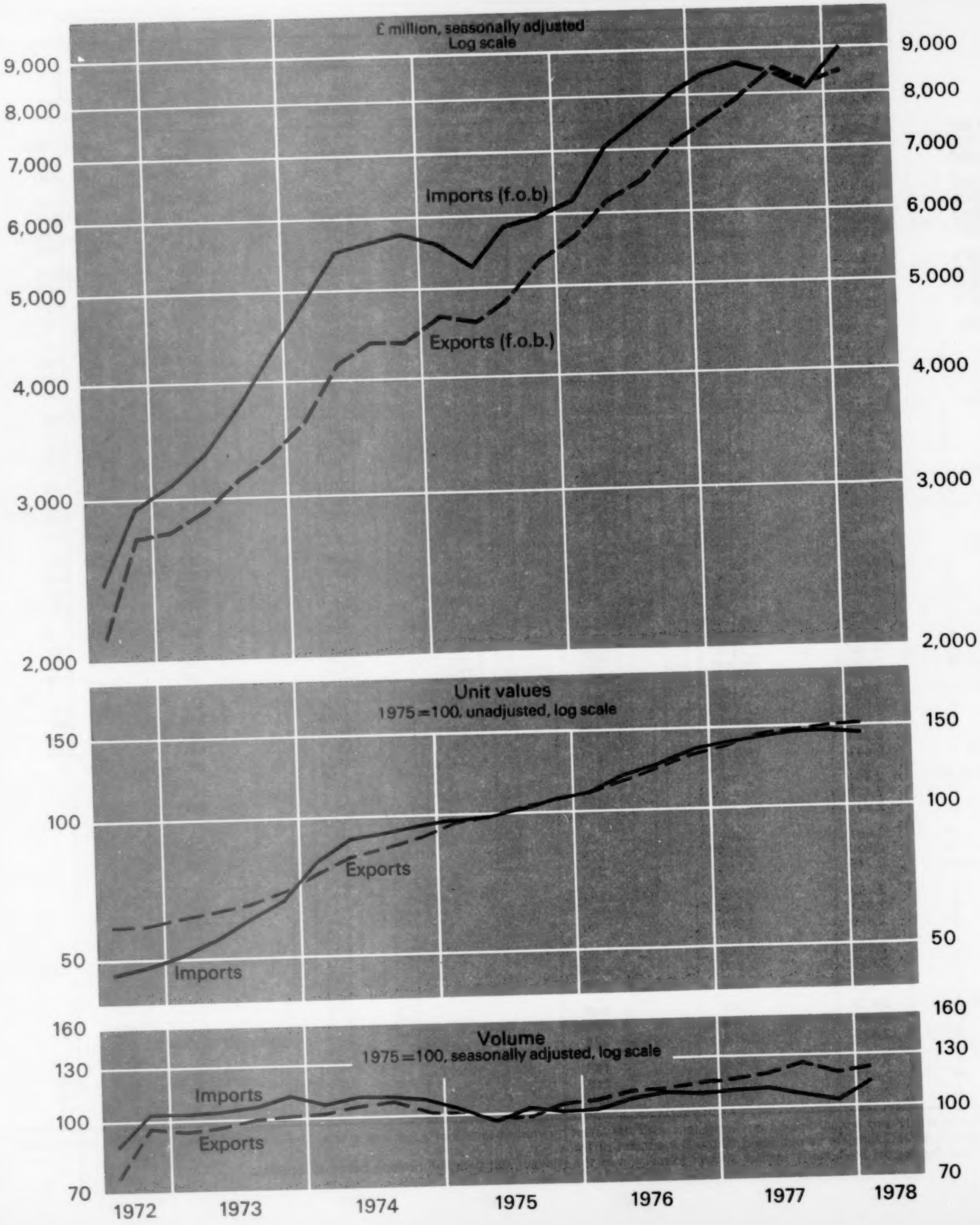
[3] The ratio of UK to weighted average export (dollar) prices for major competitors in respect of manufactured goods.

[4] Weighted average, in sterling terms, of United Nations Index numbers for primary commodities and non-ferrous metals.

[5] Differences in quarterly and annual averages for 1969 and 1970 are due to the effects of adjusting the UK series for export over-valuation.

[6] Provisional.

[7] Projection by the Department of Industry.


£ million, seasonally adjusted
Log scale
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
Imports (f.o.b)
Exports (f.o.b.)
Unit values
1975=100, unadjusted, log scale
150
100
50
Exports
Imports
Volume
1975=100, seasonally adjusted, log scale
160
130
100
70
Imports
Exports
1972
1973
1974
1975
1976
1977
1978

46

Balance of payments: current account

Seasonally adjusted

£ million

		Visible trade[1]			Invisibles			
		Exports (f.o.b.) §	Imports (f.o.b.) §	Total	Credits	Debits	Balance	Current balance
1967		5,241	5,796	— 555	3,244	2,989	+ 255	— 300
1968		6,433	7,100	— 667	3,794	3,414	+ 380	— 287
1969		7,269	7,425	— 156	4,295	3,699	+ 596	+ 440
1970		8,121	8,146	— 25	4,983	4,248	+ 735	+ 710
1971		9,060	8,781	+ 279	5,531	4,736	+ 795	+1,074
1972		9,450	10,151	— 701	6,081	5,254	+ 827	+ 126
1973		12,115	14,469	—2,354	8,305	6,834	+1,471	— 883
1974		16,539	21,734	—5,195	10,041	8,361	+1,680	—3,515
1975		19,462	22,667	—3,205	11,138	9,550	+1,588	—1,617
1976		25,422	28,932	—3,510	14,315	11,664	+2,651	— 859
1977		32,176	33,788	—1,612	15,801	14,024	+1,777	— 165
1972	*1*	2,258	2,356	— 98	1,459	1,249	+ 210	+ 112
	2	2,343	2,465	— 122	1,493	1,267	+ 226	+ 104
	3	2,115	2,413	— 298	1,552	1,345	+ 207	— 91
	4	2,734	2,917	— 183	1,577	1,393	+ 184	+ 1
1973	*1*	2,754	3,088	— 334	1,745	1,579	+ 166	— 168
	2	2,901	3,353	— 452	2,037	1,677	+ 360	— 92
	3	3,147	3,760	— 613	2,108	1,727	+ 381	— 232
	4	3,313	4,268	— 955	2,415	1,851	+ 564	— 391
1974	*1*	3,619	4,860	—1,241	2,430	2,019	+ 411	— 830
	2	4,152	5,514	—1,362	2,484	2,035	+ 449	— 913
	3	4,393	5,633	—1,240	2,529	2,084	+ 445	— 795
	4	4,375	5,727	—1,352	2,598	2,223	+ 375	— 977
1975	*1*	4,674	5,586	— 912	2,662	2,281	+ 381	— 531
	2	4,601	5,271	— 670	2,707	2,379	+ 328	— 342
	3	4,844	5,836	— 992	2,785	2,380	+ 405	— 587
	4	5,343	5,974	— 631	2,984	2,510	+ 474	— 157
1976	*1*	5,655	6,198	— 543	3,217	2,669	+ 548	+ 5
	2	6,171	7,080	— 909	3,431	2,803	+ 628	— 281
	3	6,499	7,596	—1,097	3,752	2,959	+ 793	— 304
	4	7,097	8,058	— 961	3,915	3,233	+ 682	— 279
1977	*1*	7,502	8,449	— 947	3,790	3,336	+ 454	— 493
	2	7,930	8,694	— 764	3,895	3,496	+ 399	— 365
	3	8,540	8,486	+ 54	4,058	3,575	+ 483	+ 537
	4	8,204	8,159	+ 45	4,058	3,617	+ 441	+ 486
1978	*1*	8,441	9,015	— 574	4,173	3,904	+ 269	— 305
1977	*J*	2,481	2,991	— 510	..	..	+ 454†	..
	F	2,479	2,663	— 184	..	..		..
	M	2,542	2,795	— 253	..	..		..
	A	2,591	2,759	— 168	..	..	+ 399	..
	M	2,590	2,869	— 279	..	..		..
	J	2,749	3,066	— 317	..	..		..
	J	2,793	2,955	— 162	..	..	+ 483	..
	A	2,851	2,690	+ 161	..	..		..
	S	2,896	2,841	+ 55	..	..		..
	O	2,756	2,703	+ 53	..	..	+ 441	..
	N	2,668	2,600	+ 68	..	..		..
	D	2,780	2,856	— 76	..	..		..
1978	*J*	2,623	2,961	— 338	..	..	+ 269	..
	F	2,989	2,946	+ 43	..	..		..
	M	2,829	3,108	— 279	..	..		..
	A	3,000	2,812†	+ 188†	..	..	+ 120[2]	+ 308†
	M	2,877	3,095	— 218	..	..	+ 120[2]	— 98
	J	2,926	3,032	— 106	..	..	+ 120[2]	+ 14

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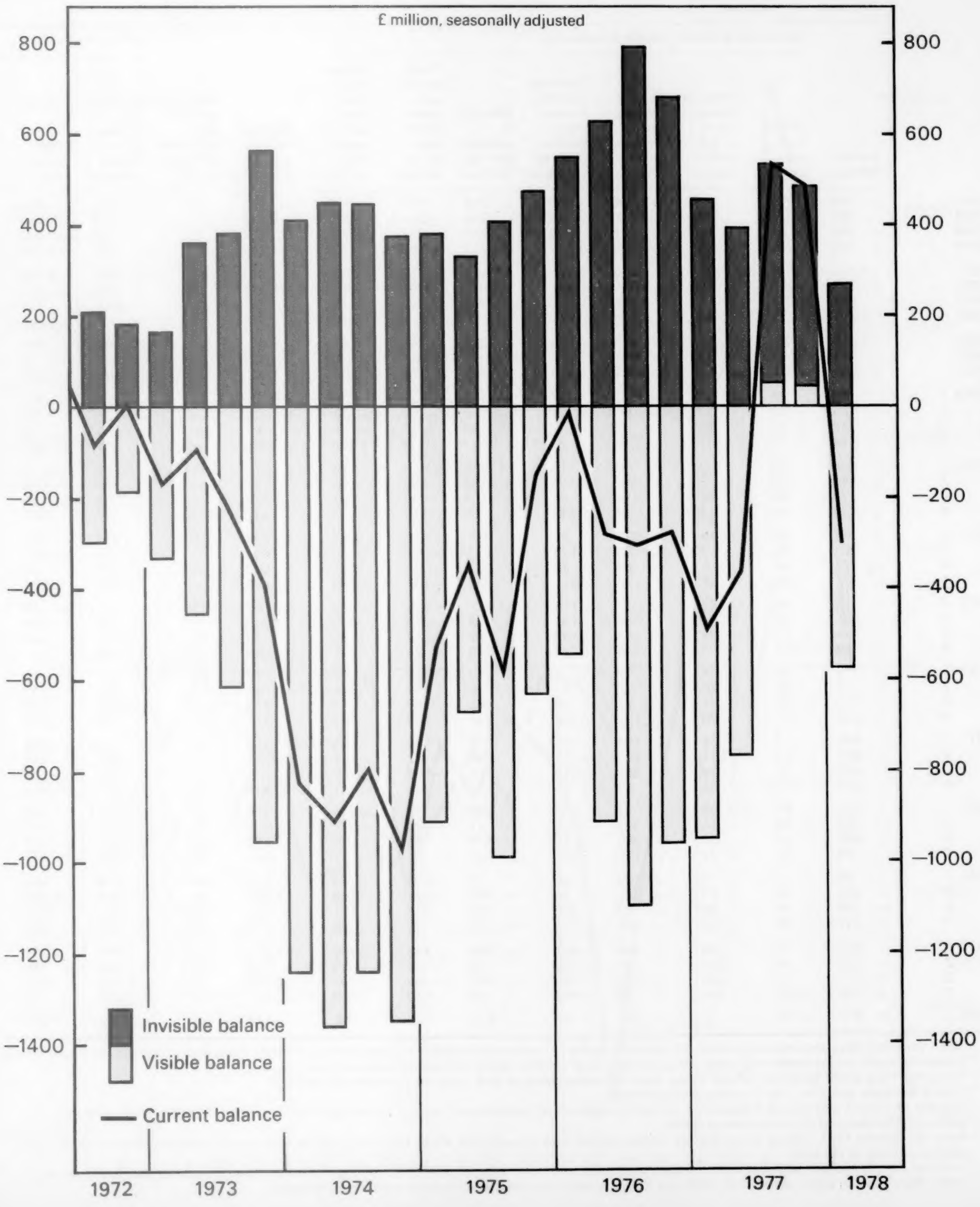
[1] The quarterly and annual figures are consistent with the latest quarterly balance of payments article. The monthly figures, which may incorporate subsequent revisions are as published by the Department of Trade

[2] These figures are projections and are subject to revision as the relevant statistical information becomes available


£ million, seasonally adjusted
800
600
400
200
0
−200
−400
−600
−800
−1000
−1200
−1400
Invisible balance
Visible balance
Current balance
1972
1973
1974
1975
1976
1977
1978

Analysis of capital transactions and official financing[1]

£ million

Not seasonally adjusted

			Investment and other capital transactions									Official financing	
		Current balance	Official long-term capital	Overseas investment in UK public sector[2]	Private sector investment (net)	Overseas currency borrowing or lending (net) by UK banks[2]	Change in external sterling liabilities	Trade credit[3] and other short-term transactions	Balancing item and other capital transactions[4]	Balance for official financing[5]	Allocation of SDR and gold subscription to IMF	Drawings on (+)/ additions to (−) official reserves[6]	Other transactions (net)[7]
1967		−300	−59	+54	−96	+36	−286	−146	+126	−671	—	+115	+556
1968		−287	+16	+16	−160	−15	−308	−305	−367	−1,410	—	+114	+1,296
1969		+440	−99	−56	−6	−38	+261	−227	+412	+687	—	−44	−643
1970		+710	−205	−10	+49	+472	+459	−193	+5	+1,287	+133	−125	−1,295
1971		+1,074	−274	+107	+216	+471	+1,422	−126	+256	+3,146	+125	−1,536	−1,735
1972		+126	−255	+120	−610	+471	+196	−610	−703	−1,265	+124	+692	+449
1973		−883	−254	+175	−196	+525	+154	−355	+63	−771	—	−228	+999
1974		−3,515	−276	+252	+1,129	−294	+1,558	−685	+185	−1,646	—	−105	+1,751
1975		−1,617	−288	+43	+336	+235	−67	−56	−51	−1,465	—	+655	+810
1976		−859	−158	+203	−311	−105	−1,152	−1,605	+360	−3,628	—	+853	+2,775
1977		+165	−283	+2,183	+861	+320	+1,452	−176	+2,839	+7,361	—	−9,588	+2,227
1969	*1*	−15	−29	−31	−3	+14	+124	−27	+239	+272	—	−20	−252
	2	+155	−11	+23	−7	−21	+50	−99	−28	+62	—	+11	−73
	3	+146	+29	−65	+38	−7	−60	−27	−134	−80	—	+4	+76
	4	+154	−88	+17	−34	−24	+147	−74	+335	+433	—	−39	−394
1970	*1*	+238	−48	+3	+36	+125	+283	+66	+212	+915	+171	−76	−1,010
	2	+160	−38	−3	+123	+123	+158	−136	−160	+227	—	−34	−193
	3	+79	−20	−23	−84	−24	+3	−13	−120	−202	—	+52	+150
	4	+233	−99	+13	−26	+248	+15	−110	+73	+347	−38	−67	−242
1971	*1*	+63	−46	+70	+132	+84	+285	+70	+264	+922	+125	−204	−843
	2	+350	−44	+7	+44	+148	+277	−97	−82	+603	—	−126	−477
	3	+379	−34	+5	+54	+28	+337	+88	−189	+668	—	−576	−92
	4	+282	−150	+25	−14	+211	+523	−187	+263	+953	—	−630	−323
1972	*1*	−16	−42	+65	−191	+114	+211	−164	+80	+57	+124	−191	+10
	2	+231	−39	+22	−194	−132	−138	−375	−420	−1,045	—	+46	+999
	3	−137	−17	+24	−77	+199	−92	−47	+68	−79	—	+639	−560
	4	+48	−157	+9	−148	+290	+215	−24	−431	−198	—	+198	—
1973	*1*	−329	−55	+44	−17	+1	+170	−63	+276	+27	—	−72	+45
	2	−2	−31	+20	+30	+152	+166	+18	−254	+99	—	−380	+281
	3	−220	−27	+21	−51	+36	−415	−200	+238	−618	—	+254	+364
	4	−332	−141	+90	−158	+336	+233	−110	−197	−279	—	−30	+309
1974	*1*	−901	−52	+32	+564	−61	+179	−150	+50	−339	—	+33	+306
	2	−890	−42	+107	+299	+56	+386	−92	−143	−319	—	−116	+435
	3	−821	−15	+30	+356	−346	+616	−109	+289	—	—	−189	+189
	4	−903	−167	+83	−90	+57	+377	−334	−11	−988	—	+167	+821
1975	*1*	−627	−73	+66	−43	−80	+247	−32	+216	−326	—	−142	+468
	2	−362	−39	—	−337	+772	−17	−264	−325	−572	—	+410	+162
	3	−580	−26	−52	+566	−15	−379	+183	+90	−213	—	+170	+43
	4	−48	−150	+29	+150	−442	+82	+57	−32	−354	—	+217	+137
1976	*1*	−48	−37	+9	+130	+94	−75	−698	−53	−678	—	−178	+856
	2	−275	−26	+13	−241	−86	−932	−574	+166	−1,955	—	+354	+1,601
	3	−255	−10	+58	−109	−272	−137	−248	−111	−862	—	+61	+801
	4	−281	−85	+123	−91	+158	−8	−85	+136	−133	—	+616	−483
1977	*1*	−523	−22	+498	+364	+421	+389	+103	+683	+1,913	—	−3,197	+1,284
	2	−351	−16	+922	+159	−706	−48	−65	+1,013	+908	—	−1,158	+250
	3	+531	−17	+289	+340	+189	+397	−95	+974	+2,608	—	−3,227	+619
	4	+508	−228	+474	−2	+416	+714	−119	+169	+1,932	—	−2,006	+74
1978	*1*	−416	−47	−3	+297	+87	+101	−402	+556	+173	—	+46	−219

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[1] More comprehensive analyses are given in the appendix tables to the balance of payments articles in the March, June, September and December issues

[2] Excluding public sector borrowing under the exchange cover scheme which is included under official financing.

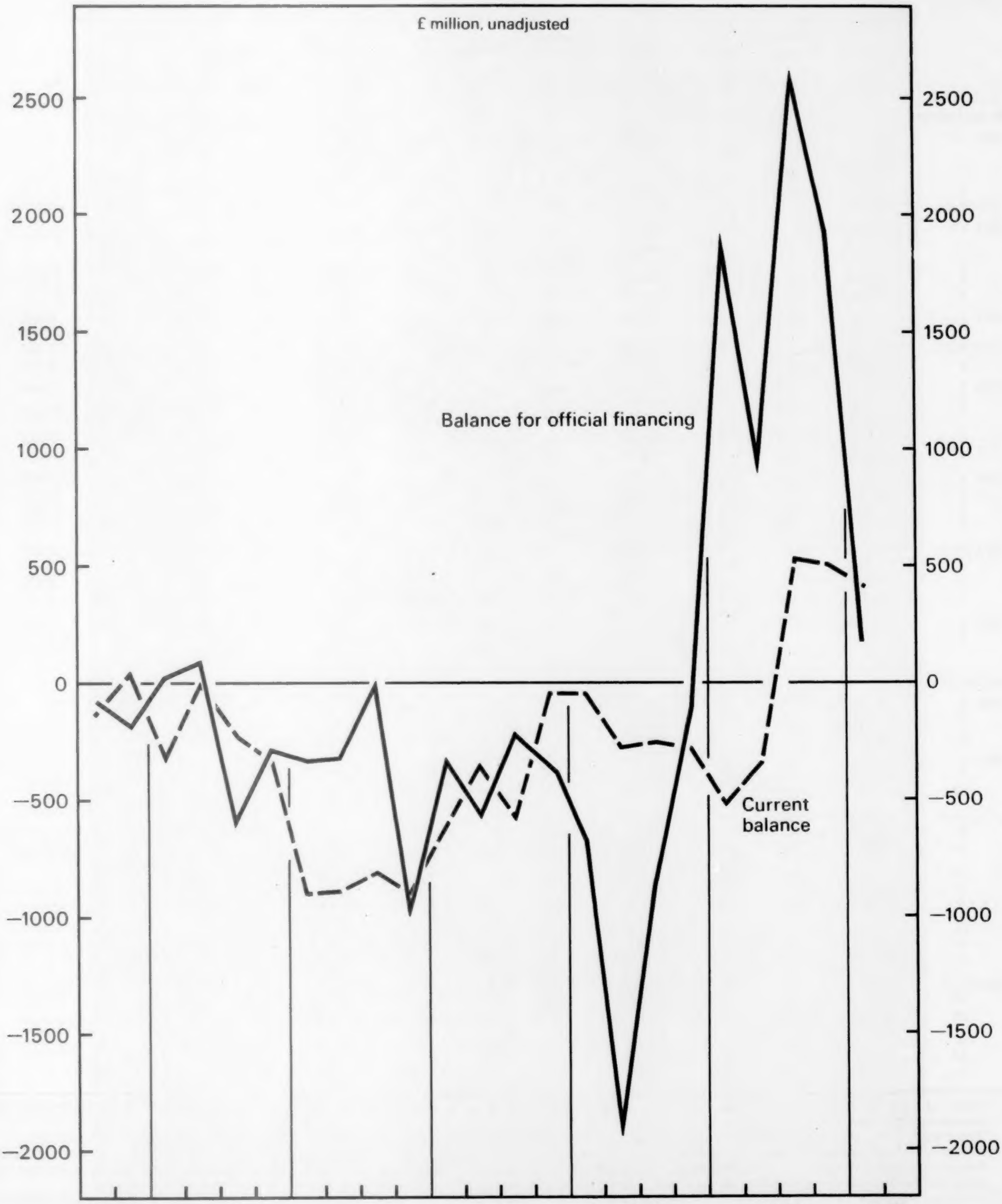
[3] Excluding trade credit between 'related' firms; after deducting advance and progress payments to suppliers.

[4] Capital transfers and EEA loss on forward commitments.

[5] Balance of current and capital transactions, including unidentified transactions covered by official financing other than that relating to IMF gold subscriptions and the allocation of SDRs.

[6] From 23 August 1971, valued in sterling at market-related rates of exchange. From July 1972, includes transactions affecting the United Kingdom reserve position in the IMF.

[7] Includes net transactions with overseas monetary authorities and other foreign currency borrowing by HM Government and by the public sector under the exchange cover scheme; in 1966 and 1967 includes the transfer from dollar portfolio to reserves.


£ million, unadjusted
2500
2000
1500
1000
500
0
−500
−1000
−1500
−2000
Balance for official financing
Current balance
1972
1973
1974
1975
1976
1977
1978

Money stock

		£ million: amounts outstanding									Velocity of circulation[1]		
		M_1			Sterling M_3			M_3					
		Seasonally adjusted	Changes (seasonally adjusted)	*Percentage change*	Seasonally adjusted	Changes (seasonally adjusted)	*Percentage change*	Seasonally adjusted §	Changes (seasonally adjusted)	*Percentage change*	M_1	Sterling M_3	M_3
At end period													
1972	*1*[2]	11,190 11,240	407	*+3·8*	20,620 21,030	1,005	*+5·1*	21,150 21,560	1,104	*+5·5*	5·569	3·001	2·932
	2	11,690	457	*+4·1*	22,490	1,472	*+7·0*	23,100	1,555	*+7·2*	5·483	2·899	2·825
	3	11,830	133	*+1·1*	23,430	937	*+4·2*	24,080	976	*+4·2*	5·440	2·787	2·712
	4	12,330	507	*+4·3*	24,930	1,500	*+6·4*	25,730	1,651	*+6·9*	5·551	2·773	2·692
1973	*1*[2]	12,340 12,340	− 10	*−0·1*	26,300 26,210	1,368	*+5·5*	27,300 27,310	1,565	*+6·1*	5·860	2·824	2·726
	2	13,110	772	*+6·3*	27,550	1,349	*+5·1*	28,620	1,322	*+4·8*	5·637	2·666	2·565
	3	12,540	−562	*−4·3*	29,490	1,936	*+7·0*	30,810	2,184	*+7·6*	5·797	2·607	2·502
	4	13,140	610	*+4·9*	31,700	2,206	*+7·5*	33,130	2,318	*+7·5*	5·914	2·482	2·375
1974	*1*	12,760	−359	*−2·7*	32,480	790	*+2·5*	34,260	1,131	*+3·4*	5·841	2·357	2·245
	2	13,100	342	*+2·7*	32,670	186	*+0·6*	34,850	593	*+1·7*	6·247	2·480	2·338
	3	13,500	389	*+3·0*	33,500	825	*+2·5*	36,000	1,145	*+3·3*	6·611	2·658	2·482
	4	14,580	1,065	*+7·9*	34,970	1,454	*+4·3*	37,370	1,352	*+3·8*	6·362	2·609	2·435
1975	*1*	14,890	293	*+2·0*	35,200	219	*+0·6*	37,720	340	*+0·9*	6·493	2·727	2·548
	2[3]	15,260 15,990	364	*+2·4*	35,910 35,890	712	*+2·0*	38,260 38,250	544	*+1·4*	6·677	2·866	2·682
	3	16,790	793	*+5·0*	37,080	1,192	*+3·3*	39,880	1,629	*+4·3*	6·591	2·927	2·734
	4[4]	17,350	565	*+3·4*	37,270	207	*+0·6*	40,240	389	*+1·0*	6·570	3·017	2·800
1976	*1*	17,960	614	*+3·5*	37,700	462	*+1·2*	40,850	634	*+1·6*	6·660	3·137	2·900
	2	18,400	439	*+2·4*	38,880	1,178	*+3·1*	42,440	1,593	*+3·9*	6·636	3·151	2·897
	3	19,220	821	*+4·5*	40,450	1,586	*+4·1*	44,490	2,063	*+4·9*	6·706	3·180	2·902
	4	19,140	− 78	*−0·4*	40,580	149	*+0·4*	44,550	71	*+0·2*	6·815	3·226	2·936
1977	*1*	19,750	610	*+3·2*	40,640	76	*+0·2*	44,910	384	*+0·9*	6·808	3·260	2·960
	2	20,490	741	*+3·8*	41,940	1,308	*+3·2*	46,610†	1,704†	*+3·8†*	6·805	3·316	2·992
	3	21,860	1,373	*+6·7*	42,860	917	*+2·2*	47,280	665	*+1·4*	6·811	3·402	3·072
	4	23,330	1,466	*+6·7*	44,660	1,793†	*+4·2*	48,930	1,645	*+3·5*	6·495	3·353	3·051
1978	*1*	24,250	999	*+4·3*	46,520	1,950	*+4·4*	51,040	2,207	*+4·5*	6·325	3·307	3·010
	2												
At mid-month													
1976	*O*	18,190	−173	*−0·9*	39,730	280	*+0·7*	43,640	467	*+1·1*	. .	. .	. .
	N	18,200	26	*+0·1*	40,300	596	*+1·5*	44,120	506	*+1·2*	. .	. .	. .
	D	18,390	205	*+1·1*	40,200	− 70	*−0·2*	43,860	− 237	*−0·5*	. .	. .	. .
1977	*J*	18,400	51	*+0·3*	39,670	−475	*−1·2*	43,400	− 403	*−0·9*	. .	. .	. .
	F	18,550	173	*+0·9*	39,460	−171	*−0·4*	43,330	− 26	*−0·1*	. .	. .	. .
	M	18,580	46	*+0·2*	39,560	128	*+0·3*	43,400	90	*+0·2*	. .	. .	. .
	A	19,200	640	*+3·4*	40,330	795	*+2·0*	44,530	1,159	*+2·7*	. .	. .	. .
	M	19,350	161	*+0·8*	40,660	353	*+0·9*	44,920	412	*+0·9*	. .	. .	. .
	J	19,640	295	*+1·5*	40,960	309	*+0·8*	45,190	280	*+0·6*	. .	. .	. .
	J	20,050	426	*+2·2*	41,320	358	*+0·9*	45,470	290	*+0·6*	. .	. .	. .
	A	20,100	59	*+0·3*	41,290	− 1	—	45,450	3	—	. .	. .	. .
	S	20,890	817	*+4·1*	41,990	730	*+1·8*	46,200	782	*+1·7*	. .	. .	. .
	O	21,470	594	*+2·8*	42,550	595	*+1·4*	46,530	358	*+0·8*	. .	. .	. .
	N	21,780	325	*+1·5*	42,840	296	*+0·7*	46,560	42	*+0·1*	. .	. .	. .
	D	22,010	233	*+1·1*	43,250	413	*+1·0*	47,050	491	*+1·1*	. .	. .	. .
1978	*J*	22,620	617	*+2·8*	44,280	1,036	*+2·4*	47,940	891	*+1·9*	. .	. .	. .
	F[5]	23,110	484	*+2·1*	45,340	1,050	*+2·4*	49,140	1,134	*+2·4*	. .	. .	. .
	M	23,260†	151†	*+0·7*	45,640†	294†	*+0·6†*	49,750†	606†	*+1·2†*			
	A	23,630	372	*+1·6*	46,790	1,156	*+2·5*	51,440	1,697	*+3·4*			
	M	23,840	219	*+0·9*	47,200	410	*+0·9*	52,200	765	*+1·5*			
	J	23,750	−88	*−0·4*	47,350	159	*+0·3*	52,370	172	*+0·3*			

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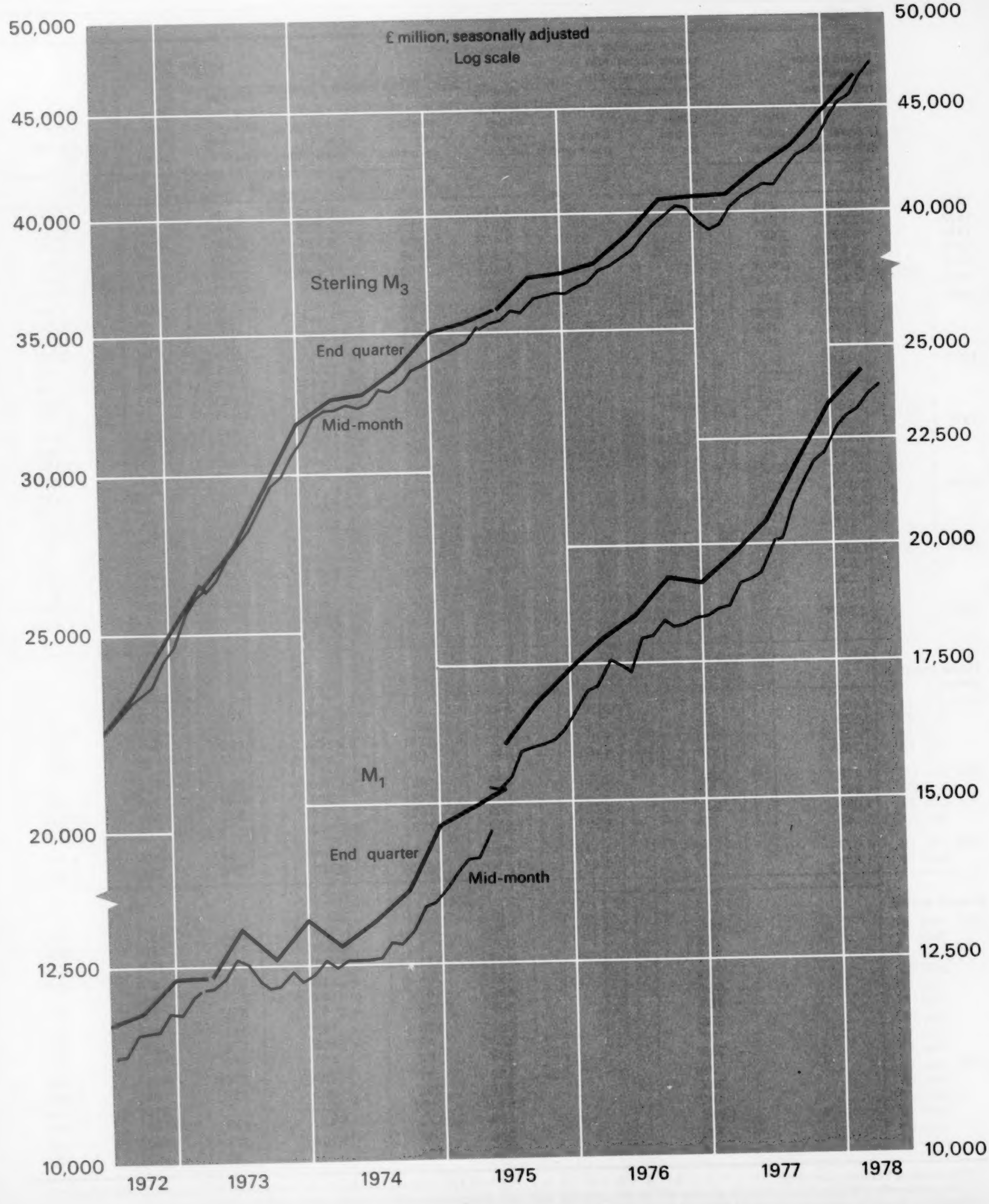
[1] Ratio of GNP at current market prices seasonally adjusted expressed at an annual rate to the centred quarterly average of M_1/sterling M_3/M_3 seasonally adjusted.

[2] The breaks in the series at end-March 1972 and end-March 1973 show, in each case, the effects of changes in contributors.

[3] At mid-May 1975 new statistical returns were introduced. The first line of figures for end-June 1975, includes a number of estimates to provide reasonable consistency with earlier dates. [4] The amounts outstanding at end-December 1975, are shown after the exclusion of one contributor to the series, but the effect on the figures is very small. The changes have been adjusted to exclude the effect of the reduction in the number of contributors.

[5] From mid-February 1978 the coverage of UK holders of dollar certificates of deposit has been somewhat expanded: the effect of this has been excluded from the change in M_3.


£ million, seasonally adjusted
Log scale
Sterling M_3
End quarter
Mid-month
M_1
End quarter
Mid-month
50,000
45,000
40,000
35,000
30,000
25,000
20,000
12,500
10,000
50,000
45,000
40,000
25,000
22,500
20,000
17,500
15,000
12,500
10,000
1972
1973
1974
1975
1976
1977
1978

Domestic credit expansion and money stock

Seasonally adjusted[1]

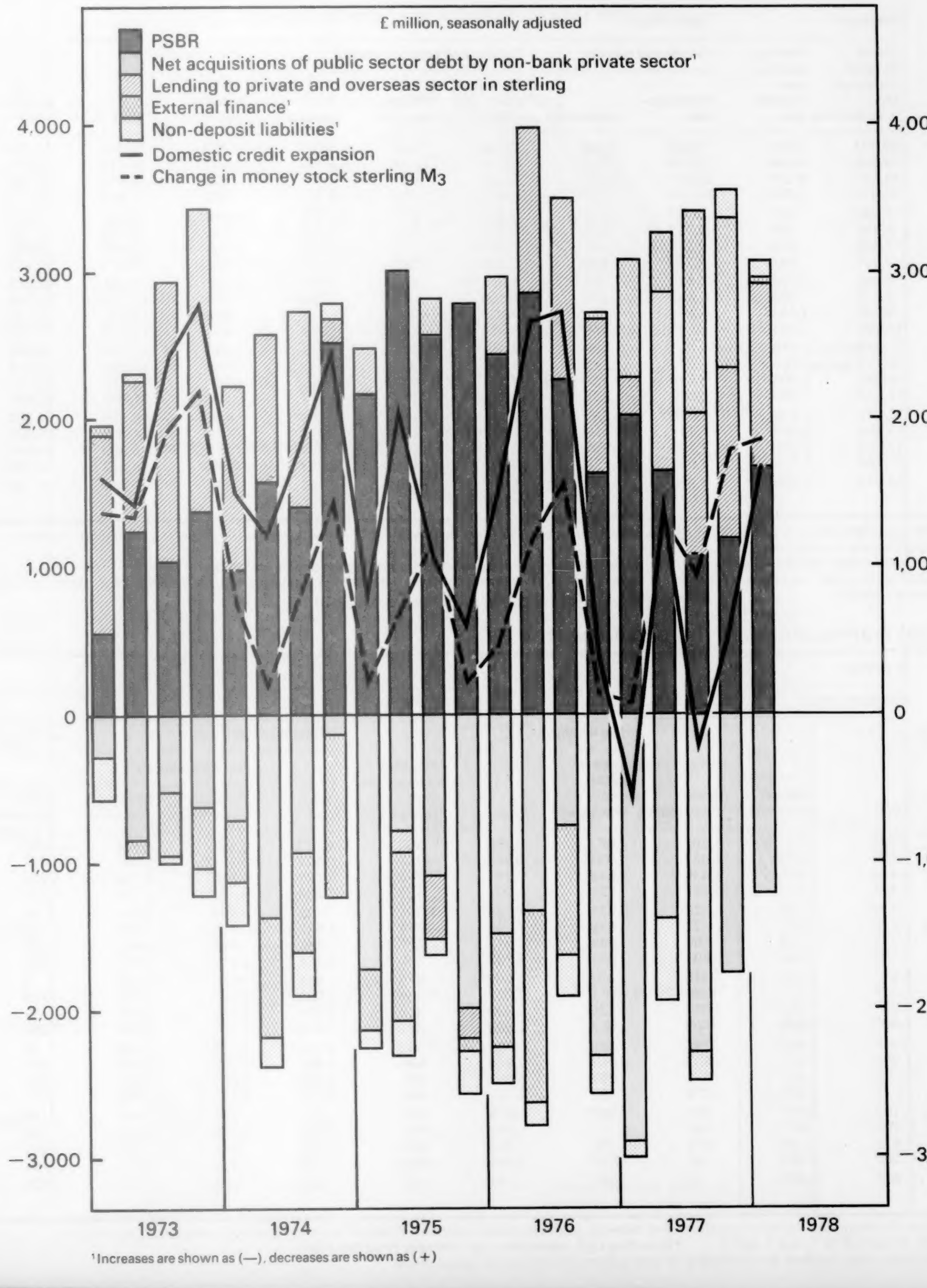
£ million

	Public sector borrowing requirement		Net acquisition of public sector debt by the non-bank private sector		Sterling lending to the private sector[2]	Bank lending in sterling to overseas	Domestic credit expansion	External and foreign currency finance	Non-deposit liabilities (net)	Money stock sterling M_3
	Central government	Other public sector	Other public sector	Central government						
	1	2	3	4	5	6	7	8	9	10
1972	1,596	438	230	776	5,510	136	6,674	1,095	652	4,927
1973	2,321	1,874	889	1,401	5,972	189	8,066	879	485	6,702
1974	3,491	2,883	2,312	852	3,435	289	6,934	2,997	682	3,255
1975	8,376	2,145	258	5,346	− 384	− 65	4,468	1,378	760	2,330
1976	6,786	2,403	411	5,453	3,463	650	7,438	2,906	967	3,565
1977	4,463	1,461	500	7,827	3,208	374	1,179	−3,591	673	4,097
1973 *1*	391	163	157	132	1,460	−124	1,601	− 63	296	1,368
2	1,008	224	315	529	933	90	1,411	108	− 46	1,349
3	205	830	186	348	739	168	2,408	429	43	1,936
4	717	657	231	392	1,997	55	2,803	405	192	2,206
1974 *1*	458	517	605	107	1,134	105	1,502	421	291	790
2	620	956	734	639	950	45	1,198	812	200	186
3	831	575	455	481	1,305	21	1,796	668	303	825
4	1,582	835	518	− 375	46	118	2,438	1,096	− 112	1,454
1975 *1*	1,259	894	68	1,657	448	−124	752	411	122	219
2	2,390	630	234	557	− 291	148	2,086	1,141	233	712
3	2,615	− 46	− 142	1,233	− 434	2	1,046	− 251	105	1,192
4	2,112	667	98	1,899	− 107	− 91	584	77	300	207
1976 *1*	2,019	425	53	1,436	176	345	1,476	762	252	462
2	2,099	757	211	1,105	852	266	2,658	1,308	172	1,178
3	1,808	455	103	653	1,030	201	2,738	875	277	1,586
4	860	766	44	2,259	1,215	−162	376	− 39	266	149
1977 *1*	1,509	506	521	2,379	352	− 92	− 625	− 809	108	76
2	1,524	126	214	1,167	1,021	183	1,473	− 399	564	1,308
3	253	817	− 48	2,342	802	162	− 260	−1,367	190	917
4	1,177	12	− 187	1,939	1,030	121	588	−1,016	− 189	1,793
1978 *1*	1,537†	277†	− 21	1,234†	614†	593	1,808†	− 51†	− 91†	1,950†
2										
Three months ended										
1976 Jan. 21	2,107		743	2,368	− 187	− 37	258	107	73	78
April 21	1,925		253	563	481	461	2,557	1,130	331	1,096
July 21	1,428		548	1,012	1,010	154	2,128	1,014	367	747
Oct. 20	1,799		516	1,095	1,199	99	2,518	717	176	1,625
1977 Jan. 19	1,478		438	2,751	883	−188	− 140	− 305	114	51
April 20	1,659		14	1,225	− 34	− 34	380	− 588	216	752
July 20	1,069		247	1,694	969	158	749	− 820	549	1,020
Oct. 19	88		676	2,304	1,259	208	− 73	−1,523	126	1,324
1978 Jan. 18	1,577		− 39†	1,719	726	225	770†	− 697†	−278	1,745
April 19	1,869		410	1,047†	1,135†	625†	2,992	276	216†	2,500†
Month ended										
1977 April 20			684		30	—	714	− 218	137	795
May 18			83		331	− 8	406	− 107	160	353
June 15			242		443	111	796	164	323	309
July 20			− 703		195	55	− 453	− 877	66	358
Aug. 17			− 694		425	107	− 162	− 283	123	− 1
Sept. 21			− 460		395	− 28	− 93	− 851	23	730
Oct. 19			− 386		439	129	182	− 383	− 30	595
Nov. 16			87		226	42	355	− 173	232	296
Dec. 14			− 239		308	92	161	− 144	−108	413
1978 Jan. 18			− 29†		192	91	254†	− 380†	−402	1,036
Feb. 15			367		298	298	963	− 152	65	1,050
March 15			− 180		572†	205†	597	− 7	310†	294†
April 19			1,045		265	122	1,432	435	−159	1,156
May 17			333		755	36	1,124	612	102	410
June 21			− 364		557	144	337	86	92	159

Relationship between columns 7 = 1 + 2 − 3 − 4 + 5 + 6; 10 = 7 − 8 − 9 (The figures combined in the bracket are column 2 *less* column 3).

[1] The seasonally adjusted figures do not always add to the calendar year total which is the sum of unadjusted quarterly figures.

[2] Banking sector lending *plus* Bank of England Issue Department holdings of commercial bills.



¹Increases are shown as (—), decreases are shown as (+)

General government receipts and expenditure[1]

		£ million									
		General government									
		Receipts[2]		Expenditure							
				Goods and services		Current and capital transfers					
		Taxes, national insurance, etc. contributions	Trading income, rent, interest, etc.	Consumption	Investment	Current grants and subsidies	Capital transfers	Debt interest	Net lending, etc.[3]	Total	Public expenditure[4]
1974		29,874	3,631	16,591	4,405	11,202	1,093	3,559	2,429	39,279	36,126
1975		38,358	4,356	22,908	5,014	14,420	1,199	4,146	3,787	51,474	47,613
1976		44,567	5,304	26,514	5,520	17,029	1,417	5,369	2,465	58,314	53,933
1977		50,975	5,962	29,178	4,825	19,569	1,586	6,470	301	61,929	56,779
1974	*1*	7,580	930	3,787	1,328	2,587	283	985	546	9,516	8,610
	2	6,835	782	3,794	816	2,467	255	648	433	8,413	7,736
	3	7,568	978	4,272	1,141	2,913	273	1,032	908	10,539	9,655
	4	7,891	941	4,738	1,120	3,235	282	894	542	10,811	10,125
1975	*1*	9,546	1,113	5,450	1,365	3,351	375	1,121	1,282	12,944	11,844
	2	8,970	995	5,420	1,106	3,580	203	786	777	11,872	11,058
	3	9,761	1,165	5,858	1,188	3,625	298	1,227	865	13,061	12,029
	4	10,081	1,083	6,180	1,355	3,864	323	1,012	863	13,597	12,682
1976	*1*	11,247	1,378	6,367	1,706	4,116	384	1,514	1,031	15,118	13,803
	2	10,773	1,216	6,570	1,213	4,251	306	996	493	13,829	12,916
	3	10,883	1,405	6,695	1,304	4,223	323	1,615	757	14,917	13,727
	4	11,664	1,305	6,882	1,297	4,439	404	1,244	184	14,450	13,487
1977	*1*	13,111	1,538	7,019	1,595	4,771	509	1,836	446	16,176	14,820
	2	12,450	1,386	7,237	976	4,850	363	1,317	−185	14,558	13,501
	3	12,646	1,712	7,395	1,117	4,870	341	1,784	116	15,623	14,010
	4	12,768	1,326	7,527	1,137	5,078	373	1,533	− 76	15,572	14,448
1978	*1*	14,540	1,700	7,903	1,411	5,709	665	2,060	146	17,894	16,348
	2										

---

[1] An article describing the new presentation of government income and expenditure was published in the March 1977 issue of *Economic Trends*.

[2] Excluding financial transactions.

[3] Net lending to public corporations, private sector and overseas; cash expenditure on company securities, etc. (net).

[4] As defined in the public expenditure White Paper (Cmnd. 7049). A reconciliation with the total of general government expenditure is shown in Table 2·4 of *Financial Statistics*.

Financial transactions of the public sector

		£ million									
		Financial deficit[1]					Receipts				
								Borrowing requirement			
									Contributions by:		
		Total	General government[2]	Public corporations	Net lending etc., to private sector and overseas[3]	Total	Financial transactions (net receipts)	Total	Central government[4]	Local authorities	Public corporations
1974		4,898	3,345	1,553	1,867	6.765	393	6,372	3,491	2,124	757
1975		7,920	4,973	2,947	1,834	9,754	−767	10,521	8,376	1,654	491
1976		8,414	5,978	2,436	1.343	9,757	303†	9,188	6,786	1,130	1,272
1977		5,801	4,700	1,101	120	5,921	123	5,924	4,463	230	1,231
1974	*1*	774	454	320	475	1,249	1,311	−62	−609	452	95
	2	629	357	272	378	1,007	−874	1,881	985	780	116
	3	1,664	1,104	560	649	2,313	717	1,596	858	452	286
	4	1,831	1,430	401	365	2,196	−761	2,957	2,257	441	260
1975	*1*	1,910	1,000	910	492	2,402	879	1,523	987	528	8
	2	1,722	1,127	595	311	2,033	−1,064	3,097	2,356	612	129
	3	2,301	1,267	1,034	429	2,730	239	2,491	2,288	210	− 7
	4	1,987	1,579	408	602	2,589	−821	3,410	2,745	304	361
1976	*1*	2,249	1,462	787	431	2,680	1 048	1,632	1,414	196	22
	2	1,950	1,347	603	419	2,369	−595	2,964	2,204	281	479
	3	2,704	1,872	832	297	3,001	685	2,296	1,655	287	354
	4	1,511	1,297	214	196	1,707	−589	2,296	1,513	366	417
1977	*1*	1,368	1,081	287	308	1,676	649	1,027	572	472	− 17
	2	1,109	907	202	− 11	1,098	−815	1 952	1,778	−230	444
	3	1,822	1,149	673	30	1,852	815	1,037	274	281	482
	4	1,502	1,563	− 61	−207	1,295	−613	1,908	1,879	−293	322
1978	*1*	1,407	1,506	− 99	−265	1,142	518	624	534	715	−625
	2										

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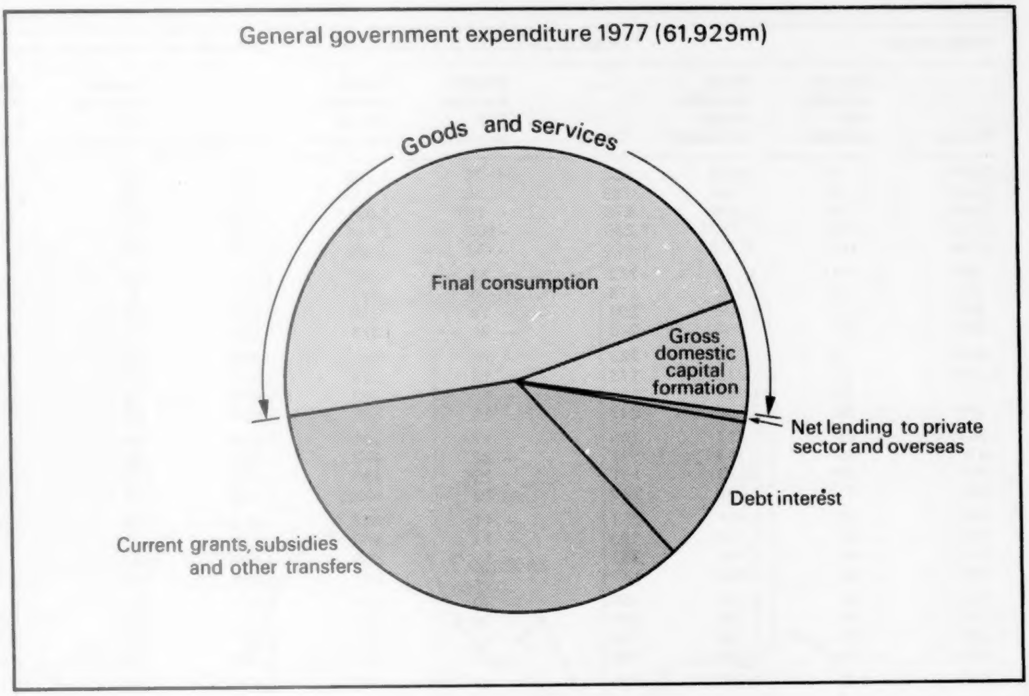
[1] The excess of current and capital expenditure over receipts; corresponds to a negative figure of 'net acquisition of financial assets'.

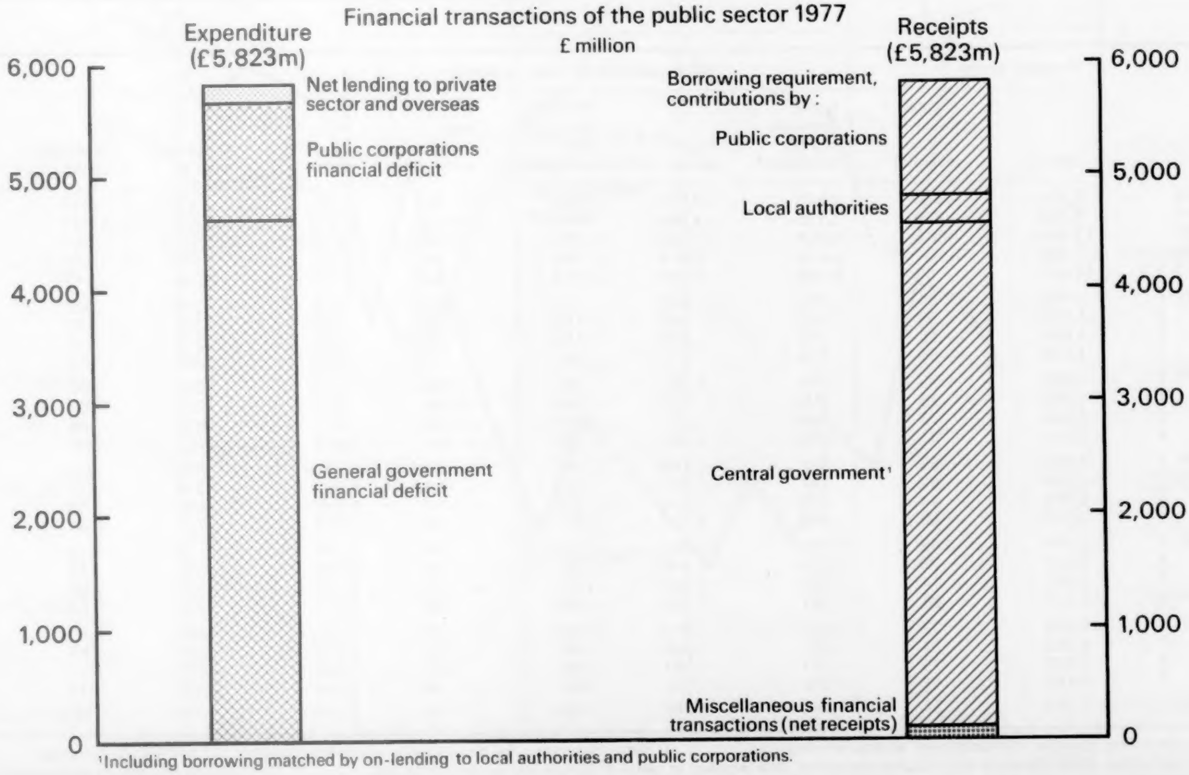
[2] Top table, columns 3 to 7, *less* 1 and 2.

[3] Including cash expenditure on company securities (net).

[4] Including borrowing matched by on-lending to local authorities and public corporations



General government expenditure 1977 (61,929m)



Financial transactions of the public sector 1977

£ million

[1] Including borrowing matched by on-lending to local authorities and public corporations.

Sector financial accounts

Seasonally adjusted

£ million

	Public sector[1]			Financial companies and institutions			Industrial and commercial companies		
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]
1973	3,278	−5	5,892	882	−76	1,298	7,314	347	8,635
1974	2,683	−18	7,563	783	−66	1 432	7,541	333	12,167
1975	2,040	−82†	9,878	679	−19†	1,661†	8,169†	403	9,201†
1976	2,842†	−193	11,113†	1,269	−102	2,048	11,647	359	12,790
1977	4,164	−187	9,778	1,174	−142	2,462	11,547	246	13,361
1973 *1*	809	−18	1,446	252	−18	267	1,577	82	1,977
2	771	−23	1,390	178	−9	322	1,738	82	1,948
3	896	1	1,502	209	−18	336	1,978	102	2,279
4	802	35	1,554	243	−31	373	2,021	81	2,431
1974 *1*	423	8	1,716	223	−15	368	1,902	86	3,087
2	1,159	−23	1,712	173	−18	349	1,871	87	3,419
3	721	−25	1,953	150	−17	340	1,915	78	3,091
4	380	22	2,182	237	−16	375	1,853	82	2,570
1975 *1*	244†	−65	2,427	140	57	360	1,931†	96	2,353†
2	636	36	2,313	137	−28	402	1,920	82	2,202
3	561	−20†	2,435	181	−29†	490	1,976	113	2,336
4	599	−33	2,703	221	−19	409†	2,342	112	2,310
1976 *1*	485	−35	2,854	253	−11	458	2,315	94	2,524
2	836	−52	2,729†	190	−17	480	2,928	97	3,186
3	526	−47	2,748	387	−19	568	3,100	80	3,406
4	995	−59	2,782	439	−55	542	3,304	88	3,674
1977 *1*	983	−88	2,712	406	−30	525	3,001	85	3,956
2	1,252	−70	2,280	284	−36	503	2,962	85	3,848
3	1,265	−14	2,398	328	−41	751	2,880	30	2,717
4	664	−15	2,388	156	−35	683	2,704	46	2,840
1978 *1*	690	−235	2,240	225	61	745	2,620	120	3,260

	Personal sector			Net acquisition of financial assets[4]					
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Public sector	Financial companies and institutions	Industrial and commercial companies	Personal sector	Overseas sector[5]	Residual error[6]
1973	6,079	−325	2,921	−2,619	−492	−974	2,833	942	310
1974	8,642	−324	3,195	−4,898	−715	−4,293	5,123	3,590	1,193
1975	11,544†	−302	3,666	−7,920†	−1,001†	−629†	7,576†	1,617†	357†
1976	12,869	−64	4,574	−8,414	−881	−802	8,231	859	1,007
1977	14,047	83	5,285	−5,801	−1,454	−1,568	8,845	−165	143
1973 *1*	1,062	−84	702	−655	−33	−318	276	208	522
2	1,713	−69	675	−642	−153	−128	969	104	−150
3	1,580	−86	770	−605	−145	−199	724	243	−18
4	1,724	−86	774	−717	−161	−329	864	387	−44
1974 *1*	1,828	−79	844	−1,285	−160	−1,099	905	830	809
2	1,831	−75	819	−576	−194	−1,461	937	942	352
3	2,259	−76	754	−1,257	−207	−1,098	1,429	835	298
4	2,724	−94	778	−1,780	−154	−635	1,852	983	−266
1975 *1*	2,800†	−88	860	−2,248†	−163	−326†	1,852†	531†	354†
2	2,624	−90	874	−1,641	−293	−200	1,660	342	132
3	2,978	−64	934	−1,894	−338†	−247	1,980	587	−88
4	3,142	−60	998	−2,137	−207	144	2,084	157	−41
1976 *1*	3,264	−48	1,056	−2,404	−216	−133	2,160	−5	598
2	3,070	−28	1,050	−1,945	−307	−161	1,992	281	140
3	3,402	−14†	1,181	−2,269	−200	−226	2,207	304	184
4	3,133	26	1,287	−1,796	−158	−282	1,872	279	85
1977 *1*	3,459	33	1,232†	−1,817	−149	−870	2,260	493	83
2	3,263	21	1,330	−1,098	−255	−801	1,954	365	−165
3	3,141	25	1,297	−1,147	−488	193	1,869	−537	110
4	4,184	4	1,426	−1,739	−562	−90	2,762	−486	115
1978 *1*	3,704	54	1,442	−1,785	−459	−520	2,316	305	143

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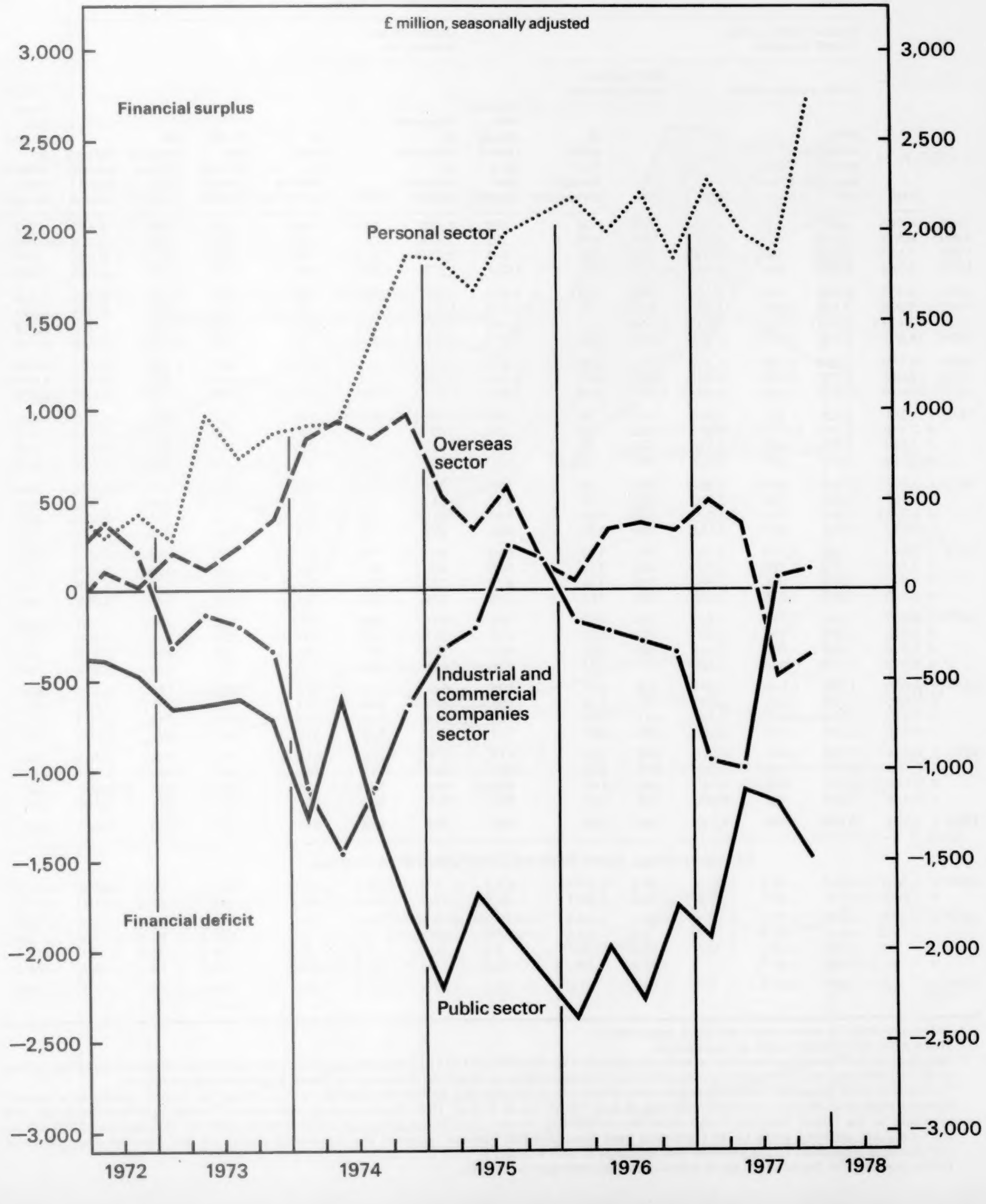
[1] Excluding financial transactions in writing-off debt. [2] Before providing for depreciation stock appreciation and addition to reserves. [3] Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress. [4] This balance is equal to saving *plus* capital transfers *less* gross domestic fixed capital formation *less* increase in value of stocks and work in progress. [5] Equals, apart from the change in sign, the current balance of payments accounts *plus* capital transfers. [6] The residual error in the national income accounts


£ million, seasonally adjusted
Financial surplus
Financial deficit
Personal sector
Overseas sector
Industrial and commercial companies sector
Public sector
3,000
2,500
2,000
1,500
1,000
500
0
−500
−1,000
−1,500
−2,000
−2,500
−3,000
1972
1973
1974
1975
1976
1977
1978

58

Appropriation account of industrial and commercial companies

£ million Seasonally adjusted

		Income							Allocation of income						
		Income arising in the United Kingdom							Dividends and interest, etc.						
			Gross trading profits			Rent and non-trading income									
		Total	After deducting stock appreciation	Stock appreciation	Total[1]	Total	*of which* from financial companies[2]	Income from abroad (net of taxes paid abroad)	Payments of dividends on ordinary shares[3]	Other	*of which* to financial companies[2]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Balance undistributed income[5]	Taxes paid abroad on income from abroad[2]
1967		6,003	4,817	147	4,964	377	96	662	1,463	941	548	206	941	2,452	*514*
1968		6,854	5,170	472	5,642	457	139	755	1,434	1,067	656	311	919	3,123	*705*
1969		7,604	5,568	587	6,155	504	165	945	1,554	1,219	756	259	1,013	3,559	*819*
1970		7,983	5,553	893	6,446	513	151	1,024	1,378	1,301	799	322	1,297	3,685	*1,041*
1971		8,733	6,343	842	7,185	524	135	1,024	1,530	1,320	792	397	1,104	4,382	*1,334*
1972		9,928	7,102	1,062	8,164	650	196	1,114	1,524	1,510	969	549	1,082	5,263	*1,592*
1973		13,132†	7,372†	2,543†	9,915	1,059†	501	2,158	1,638	2,365	1,806	665	1,156	7,308†	*2,359*
1974		14,874	6,190	5,015	11,205	1,350	695	2,319	1,469	3,340	2,716	524	2,022	7,519	*4,012*
1975		14,796	7,362	4,184	11,546	1,356	619	1,894	1,608	3,309	2,674	447	1,263	8,169	*3,414*
1976		18,908	9,330	5,223	14,553	1,664	802	2,691†	1,895	3,772	3,120	744†	850	11,647	*4,077*†
1977		20,615	12,928	3,556	16,484†	1,521	636	2,610	2,219	3,694	3,048	1,423	1,732†	11,547	*3,816*
1972	*1*	2,203	1,621	187	1,808	139	30	256	437	323	196	127	297	1,019	*360*
	2	2,438	1,793	219	2,012	142	34	284	461	347	221	135	252	1,243	*357*
	3	2,584	1,818	302	2,120	175	60	289	352	406	270	141	255	1,430	*415*
	4	2,703	1,870	354	2,224	194	72	285	274	434	282	146	278	1,571	*460*
1973	*1*	2,973	2,007†	357†	2,364	225	96	384	526	505	386	188	177	1,577	*484*
	2	3,196	1,840	560	2,400	226	90	570	511	522	392	171	254	1,738	*484*
	3	3,376†	1,804	779	2,583	279†	134	514	319	609	454	151	321	1,976†	*614*
	4	3,587	1,721	847	2,568	329	181	690	282	729	574	155	404	2,017†	*777*
1974	*1*	3,697	963	1,773	2,736	351	192	610	432	792	647	170	410	1,893	*938*
	2	3,692	1,403	1,358	2,761	333	170	598	355	811	657	126	529	1,871	*1,065*
	3	3,773	2,005	858	2,863	338	172	572	357	855	691	103	549	1,909	*1,029*
	4	3,712	1,819	1,026	2,845	328	161	539	325	882	721	125	534	1,846	*980*
1975	*1*	3,657	1,567	1,290	2,857	326	150	474	431	868	711	123	304	1,931	*886*
	2	3,545	1,808	995	2,803	309	130	433	377	800	641	123	325	1,920	*852*
	3	3,578	1,858	904	2,762	344	157	472	389	801	637	97	315	1,976	*976*
	4	4,016	2,129	995	3,124	377	182	515	411	840	685	104	319	2,342	*700*
1976	*1*	4,026	1,955	1,116	3,071	359	157	596	523	839	672	199†	150	2,315	*936*†
	2	4,590	2,258	1,285	3,543	395	178	652	445	858	697	138	221	2,928	*969*
	3	4,873	2,396	1,341	3,737	417	200	719	414	946	776	201	212	3,100	*1,115*
	4	5,419	2,721	1,481	4,202	493	267	724	513	1,129	975	206	267	3,304	*1,057*
1977	*1*	5,334	2,747	1,463	4,210	449	227	675	574	1,086	910	318	355	3,001	*982*
	2	5,154	3,152	946	4,098	375	152	681	492	914	756	387	399	2,962	*998*
	3	5,149	3,471	669	4,140	361	140	648	542	891	730	379	457	2,880	*951*
	4	4,978	3,558	478	4,036	336	117	606	611	803	652	339	521	2,704	*885*
1978	*1*	5,132	3,646	536	4,182	360	134	590	733	808	644	415	556	2,620	*900*
		Percentage change, quarter on corresponding quarter of previous year													
1976	*3*	*+36·2*	*+29·0*	*+48·3*	*+35·3*	*+21·2*	*+27·4*	*+52·3*	*+6·4*	*+18·1*	*+21·8*	*+107·2*	*−32·7*	*+56·9*	*+14·3*
	4	*+34·9*	*+27·8*	*+48·9*	*+34·5*	*+30·8*	*+46·7*	*+40·6*	*+24·8*	*+34·4*	*+42·3*	*+98·1*	*−16·3*	*+41·1*	*+51·0*
1977	*1*	*+32·5*	*+40·5*	*+31·1*	*+37·1*	*+25·1*	*+44·6*	*+13·3*	*+9·8*	*+29·4*	*+35·4*	*+59·8*	*+136·7*	*+29·6*	*+4·9*
	2	*+12·3*	*+39·6*	*−26·4*	*+15·7*	*−5·1*	*−14·6*	*+4·4*	*+10·6*	*+6·5*	*+8·5*	*+180·4*	*+80·5*	*+1·2*	*+3·0*
	3	*+5·7*	*+44·9*	*−50·1*	*+10·8*	*−13·4*	*−30·0*	*−9·9*	*+30·9*	*−5·8*	*−5·9*	*+88·6*	*+115·6*	*−7·1*	*−14·7*
	4	*−8·1*	*+30·8*	*−67·7*	*−4·0*	*−31·8*	*−56·2*	*−16·3*	*+19·1*	*−28·9*	*−33·1*	*+64·6*	*+95·1*	*−18·2*	*−16·3*
1978	*1*	*−3·8*	*+32·7*	*−63·4*	*−0·7*	*−19·8*	*−41·0*	*−12·6*	*+27·7*	*−25·6*	*−29·2*	*+30·5*	*+56·6*	*−12·7*	*−8·4*
	2														

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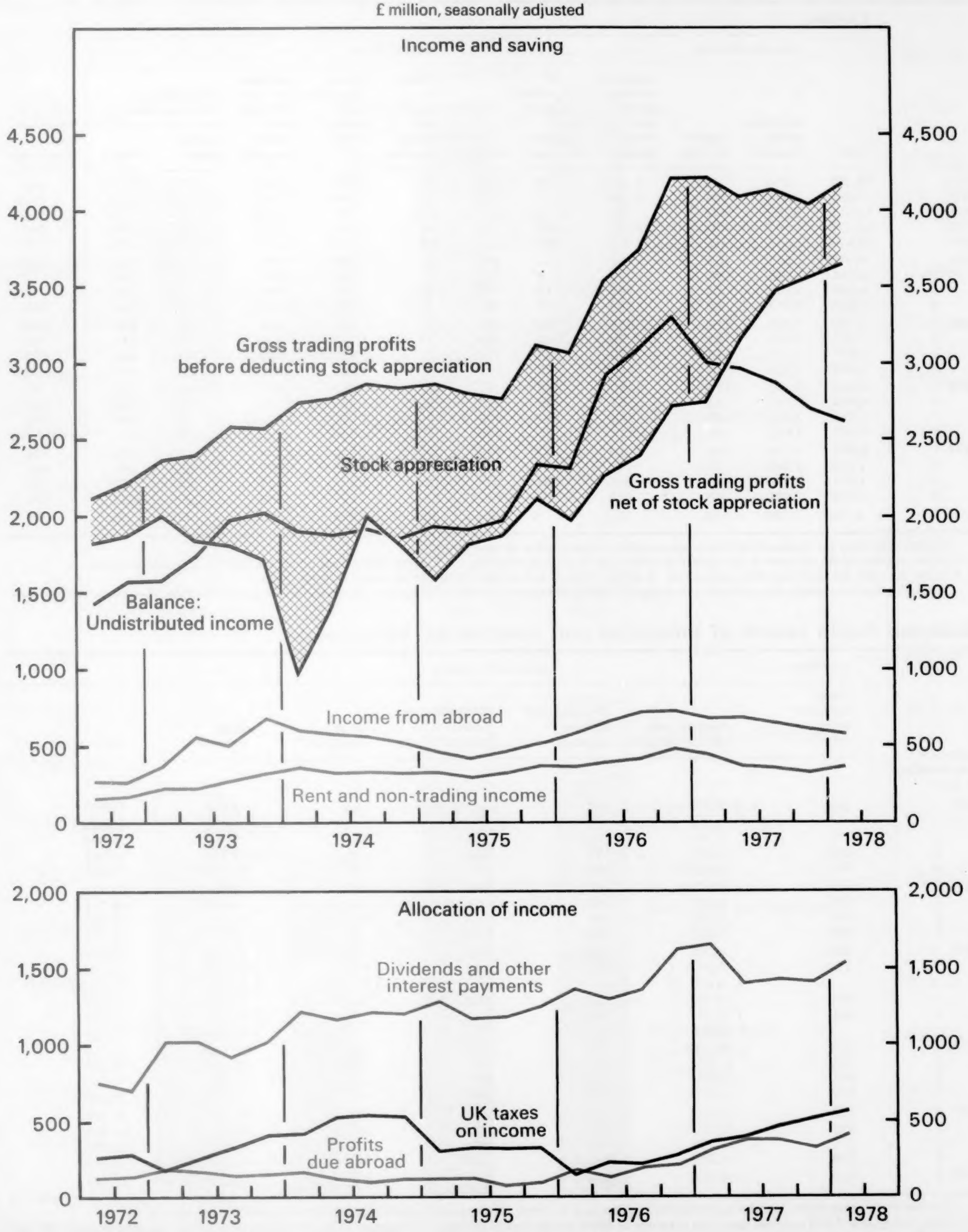
[1] Before providing for depreciation and stock appreciation.

[2] These items are included solely as memoranda.

[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.

[4] The residual of all companies payments and accruals of financial companies and institutions taxes on income. The former include payments of corporation tax (including advance corporation tax from 6 April 1973). Up to 5 April 1973 the balance of deductions of income tax from dividends over payments to the Inland Revenue is also deducted. In the first quarter of 1978 the amount of advance corporation tax included was £325 million. The seasonally adjusted series for all companies have been allocated between industrial and commercial companies and financial companies and institutions in proportion to the calendar year estimates of their accruals of taxes on income.

[5] Before providing for depreciation, stock appreciation and additions to reserves.


£ million, seasonally adjusted
Income and saving
4,500
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0
Gross trading profits before deducting stock appreciation
Stock appreciation
Gross trading profits net of stock appreciation
Balance: Undistributed income
Income from abroad
Rent and non-trading income
1972
1973
1974
1975
1976
1977
1978
Allocation of income
2,000
1,500
1,000
500
0
Dividends and other interest payments
UK taxes on income
Profits due abroad
1972
1973
1974
1975
1976
1977
1978

60

Sources and uses of capital funds of industrial and commercial companies

£ million

		Sources of funds						Uses of funds					
											Acquisition of financial assets		
		Total	Undistributed income[1]	Capital transfers	Bank borrowing[2], loans and mortgages	UK capital issues by listed companies (net)	Overseas[3]	Taxes on capital and capital transfers	Gross domestic fixed capital formation	Increase in value of stocks and work in progress	Liquid assets[4]	Other[5]	Unidentified items (residual)
1973		15,008	7,314	373	5,379†	188	1,834	26	4,826	3,809	2,494	3,303†	630
1974		15,088†	7,519†	364	4,656	62	2,416	31	6,048	6,119	39	2,588	192†
1975		12,511	8,169	442	764	1,216†	1,881	42†	6,961	2,240†	1,764	2,008	− 504
1976		18,329	11,647	401	2,837	828	2,039	42	7,744	5,064	1,792†	4,533	− 896
1977		18,614	11,547	315	3,372	656	2,724	69	9,025	4,336	2,759	3,660	−1,235
1974	*1*	4,042†	1,581†	105	1,487†	—	908	16	1,290	1,580	− 159	593†	762†
	2	3,944	2,085	83	1,272	− 9	513	3	1,421	1,945	237	266	72
	3	3,398	1,736	87	948	18	610	6	1,556	1,562	− 70	338	6
	4	3,593	2,117	89	949	53	385	6	1,781	1,032	31	1,391	− 648
1975	*1*	3,182	1,898	119	831	53†	281	22	1,554	569	285	376	376
	2	2,689	1,913	82	70	344	280	6†	1,617	495	− 388	1,110	− 152
	3	2,637	1,819	123	− 478	399	774	7	1,940	445	1,398	− 454	− 699
	4	4,003	2,539	118	380	420	546	7	1,850	731†	469	976	− 29
1976	*1*	3,789	2,640	116	95	236	702	22	1,550	807	103	1,242	65
	2	4,844	2,845	98	1,067	435	399	6	1,863	1,120	691†	1,369	− 205
	3	4,033	2,609	90	739	136	459	7	2,137	1,315	755	558	− 739
	4	5,663	3,553	97	1,513	21	479	7	2,194	1,822	243	1,414	− 17
1977	*1*	5,009	3,159	109	794	33	914	29	1,854	1,747	11	624	744
	2	4,706	2,844	90	766	341	665	8	2,336†	1,369	459	1,041	− 507
	3	4,071	2,564	53	596	182	676	19	2,334	522	984	958	− 746
	4	4,828	2,980	63	1,216	100	469	13	2,501	698	1,305	1,037	− 726
1978	*1*	4,155	2,668	153	349	− 4	989	30	2,275	881	474	195	340

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[1] Before providing for depreciation, stock appreciation and additions to reserves.

[2] After addition of 40 per cent of the excess of debit over credit transit items. [3] Other than investments included in UK capital issues.

[4] Bank deposits are included after subtraction of 60 per cent of the excess of debit over credit transfer items.

[5] Including figures of large companies transactions in British government securities (for further information see *Financial Statistics Explanatory handbook)*.

Selected liquid assets of industrial and commercial companies

£ million

Amounts outstanding at end:		Local authority temporary debt	Deposits with banking sector[1],[2]	Deposits with building societies	Deposits with finance houses[1]	Other identified[1],[3]	Total identified[1]	Bank advances[1],[4]
1973	*1*	395	7,230 7,225	183	182 180	88	8,078 8,071	10,551 10,649
	2	472	7,202	200	205	87	8,166	11,370
	3	488	8,487	175	242	85	9,477	12,561
	4	483	9,126	160	217	85	10,071	14,421
1974	*1*	519	8,949	161	176	54	9,859	15,423
	2	509	8,897	166	193	52	9,817	16,772
	3	518	9,142	172	157	168	10,157	17,387
	4	484	9,038	180	122	97	9,921	18,019
1975	*1*	424	9,336	181	163	58	10,162	18,316
	2	415	9,269 9,473	183	173	115 112	10,155 10,356	19,049 17,489
	3	434	10,409	184	159	385	11,571	17,562
	4	459	10,767 10,757	185	136	355	11,902 11,892	17,679 17,727
1976	*1*	443	10,739	222	183	566	12,153	17,726
	2	425	11,182	251	193	700	12,751	19,206
	3	414	12,180	273	203	443	13,513	19,955
	4	579	12,376	289	210	389	13,843	20,923
1977	*1*	477	12,378	304	201†	360	13,720	21,255
	2	388	12,715†	336	224	397	14,060†	21 955
	3	317	13,284	363	220	736	14,920	22,065
	4	229	14,298	401	214	645	15,787	22,448†
1978	*1*	280	14,919	426	211	537	16,373	22,681

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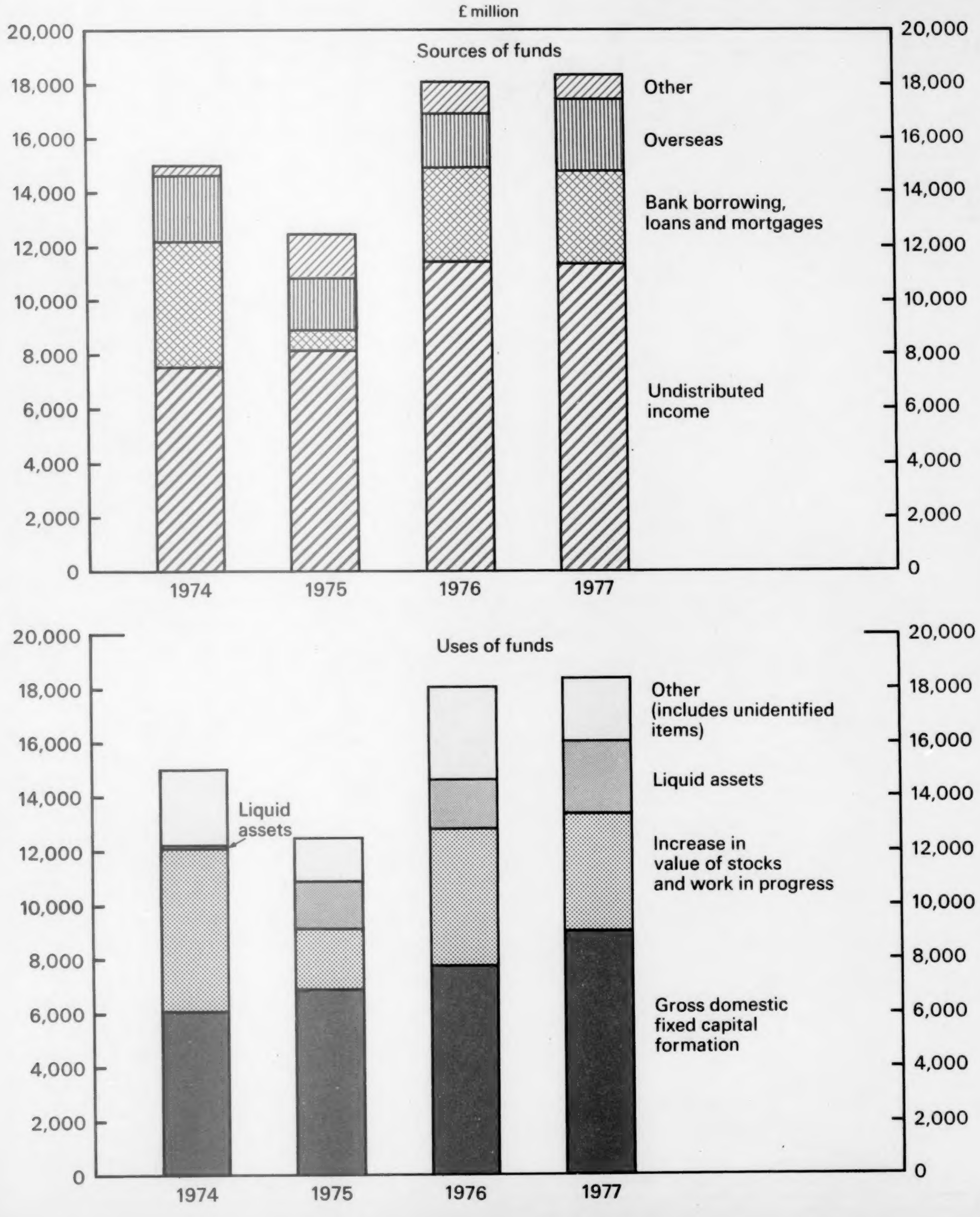
[1] The breaks in series result from further information regarding holdings by sector and changes to the banking and finance houses sectors.

[2] From 2nd quarter 1973 includes identified holdings of dollar certificates of deposit. [3] Treasury bills, tax reserve certificates, tax deposit accounts, and certificates of tax deposits.

[4] Including refinanceable export and shipbuilding credits with effect from mid-May 1972.


£ million
Sources of funds
20,000
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
1974
1975
1976
1977
Other
Overseas
Bank borrowing, loans and mortgages
Undistributed income
Uses of funds
Liquid assets
Other (includes unidentified items)
Liquid assets
Increase in value of stocks and work in progress
Gross domestic fixed capital formation

Bank lending[1] to UK residents

	Seasonally adjusted[2]					
	£ million					
	Lending to public sector			Lending to private sector		
	Total	Sterling	Other currencies[3]	Total	Sterling	Other currencies[3]
Transactions						
1972	−1,026	−1,030	4	6,434	5,511	923
1973	1,995	1,134	861	6,828	5,671	1,157
1974	701	− 370	1,071	4,671	3,734	937
1975	3,364	3,081	283	139	− 386	525
1976	271	− 163	434	3,515	3,137	378
1977	2,475	1,793	682	4,715	3,512	1,203
1973 *1*	362	319	43	1,523	1,234	289
2	498	261	237	1,072	1,021	51
3	331	− 12	343	2,190	1,780	410
4	647	409	238	2,200	1,793	407
1974 *1*	86	− 177	263	1,339	1,016	323
2	− 441	− 657	216	1,514	1,289	225
3	− 165	− 265	100	1,507	1,359	148
4	1,221	729	492	311	70	241
1975 *1*	204	− 94	298	139	180	− 41
2[5]	1,390	1,402	− 12	207	− 32	239
3	1,640	1,640	—	− 124	− 438	314
4[4]	130	133	− 3	− 83	− 96	13
1976 *1*	200	183	17	150	173	− 23
2	− 64	− 118	54	808	846	− 38
3	777	619	158	1,233	1,022	211
4	− 452	− 657	205	1,134	906	228
1977 *1*	388	− 115	503	1,146	586	560
2	250	250	—	1,262	1,105	157
3	1,093	844	249	843	779	64
4	747	817	− 70	1,461	1,039	422
1978 *1*	243	472	− 229	659	514	145
2						

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[1] UK banking sector: changes in assets.

[2] The seasonally adjusted quarterly figures do not necessarily add up to the (unadjusted) figures shown for the year as a whole. This is because, as well as allowing for purely seasonal factors, the adjustments attempt to remove other distortions (such as the effect of the particular days of the week on which a quarter begins and ends), which do not necessarily cancel out over a year.

[3] From the second quarter 1975 changes in foreign currency assets have been adjusted to exclude the effect of movements in exchange rates.

[4] Figures have been calculated to exclude the effect of small changes in the number of contributors to the banking statistics.

[5] Figures have been calculated to exclude the effects of the introduction of new statistical returns.

Banks' reserve ratio

Unadjusted

	£ million		Per cent	
	Eligible liabilities	*of which:* Interest bearing[1]	Reserve ratio	Special deposits[2]
At mid-month				
1975 *J*	33,205	23,151	15·0	3
A	33,044	22,767	15·1	3
S	32,987	22,851	15·9	3
O	33,367	22,986	15·7	3
N	33,451	23,033	15·2	3
D	33,345	22,764	15·1	3
1976 *J*	33,046	22,509	15·5	2
F	33,204	22,929	15·4	3
M	33,106	22,551	15·8	3
A	33,907	22,803	15·6	3
M	33,738	22,739	15·2	3
J	34,026	23,111	15·2	3
J	34,987	23,761	14·2	3
A	35,184	23,955	15·1	3
S	35,795	24,390	15·4	3
O	36,622	25,215	14·4	4
N	37,260	26,068	13·9	5
D	36,877	25,424	13·8	5

	£ million		Per cent		£ million
	Eligible liabilities	*of which:* Interest bearing	Reserve ratio	Special deposits[2]	Supplementary deposits[2]
At mid-month					
1977 *J*	36,147	24,996	14·4	3	
F	34,834	23,916	13·8	2	
M	34,977	23,840	13·9	3	
A	35,843	24,009	14·2	3	
M	35,824	23,940	14·0	3	1
J	36,278†	24,221	14·0	3	—
J	37,095	24,670	14·0	3	1
A	37,692	25,319	14·5	3	
S	38,795	25,803	14·5	3	
O	39,709	26,320	14·5	3	
N	40,208	26,495	15·1	3	
D	40,857	26,811	14·8	3	
1978 *J*	41,683	27,990	14·8	3	
F	42,229	28,619	14·0	3	
M	42,573	28,695†	14·1	3	
A	43,880	29,395	13·9	3	
M	44,503	30,100	13·9	3	

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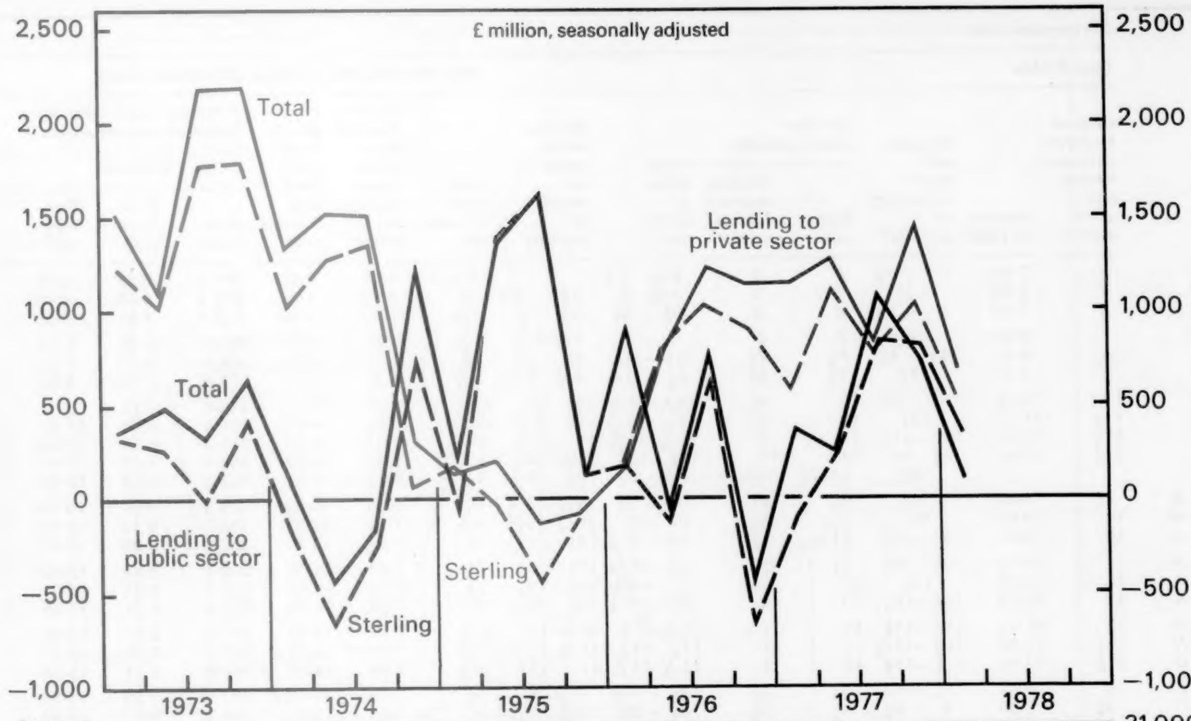
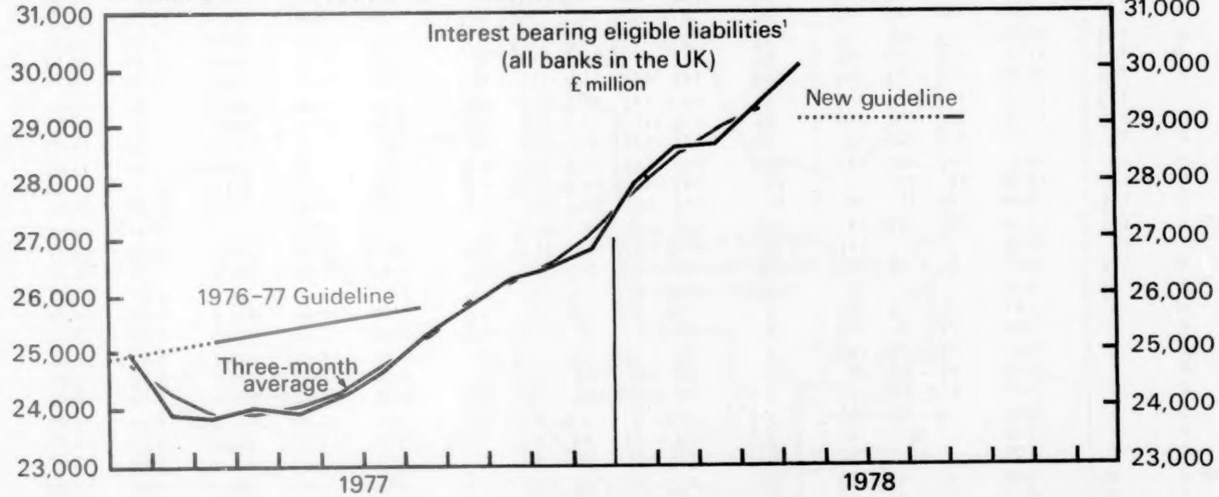
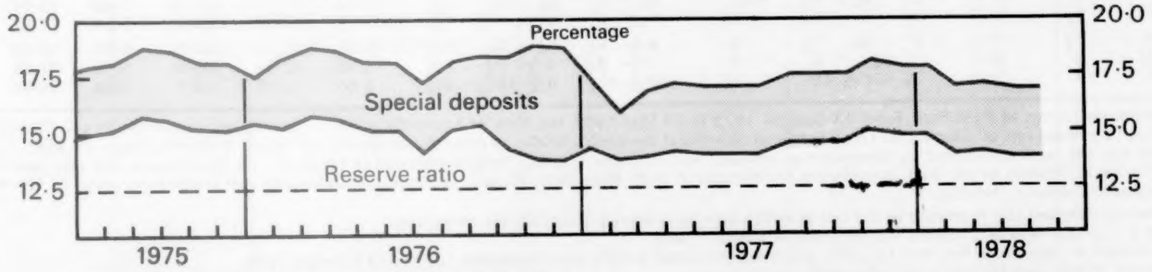
[1] Banks in Northern Ireland were excluded up to the first figure for May 1975. [2] Not yet applicable to banks in Northern Ireland.







[1] Supplementary special deposits will have to be paid by banks and deposit-taking finance houses, according to growth in excess of the guideline, at rates of 5 per cent (up to 3 per cent excess), 25 per cent (over 3 and up to 5 per cent excess) and 50 per cent (above 5 per cent excess) of interest-bearing eligible liabilities.

Interest rates, security prices and yields

		Percentage rate												
		Last Friday							Last working day		Average of working days			
		Bank of England's minimum lending rate to the market[1]	Treasury bill yield[2]	Deposits with local authorities (3 months)[3]	London clearing banks		Inter-bank (3 month rate)[5]	Sterling certificates of deposit (3 months)	Euro-dollar 3-month rate	Building Societies Association recommended rate on shares[6]	British government securities 2½% Consols yield	*Financial Times* index of industrial ordinary shares		
												1 July 1935=100		
					Base rate	Deposit account: 7 days' notice[4]						Price index	Dividend yield	Earnings yield[7]
1967		8	7·63	$7\frac{3}{4}-7\frac{7}{8}$	8	6	$8\frac{1}{16}-8\frac{3}{16}$	. .	$6\frac{5}{16}$	4·25	6·69	355·0	5·36	6·69
1968		7	6·89	$7\frac{3}{4}$	7	5	$7\frac{13}{16}-8$	$7\frac{5}{8}-7\frac{15}{16}$	$7\frac{1}{2}$	4·50	7·39	463·3	4·05	4·99
1969		8	7·80	$9-9\frac{1}{16}$	8	6	$9\frac{3}{8}-9\frac{1}{2}$	$9\frac{1}{8}-9\frac{1}{4}$	$11\frac{5}{16}$	5·00	8·88	419·8	4·43	5·82
1970		7	6·93	$7\frac{1}{4}$	7	5	$7\frac{1}{8}-7\frac{1}{4}$	$7\frac{3}{16}-7\frac{5}{16}$	$7\frac{7}{16}$	5·00	9·16	361·0	4·75	6·54
1971		5	4·46	$4\frac{1}{2}-4\frac{5}{8}$	$4\frac{1}{2}$	$2\frac{1}{2}$	$4\frac{5}{8}-4\frac{3}{4}$	$4\frac{5}{8}-4\frac{3}{4}$	$5\frac{3}{4}$	5·00	9·05	386·2	4·76	6·21
1972		9	8·48	$8\frac{3}{4}$	$7\frac{1}{2}$	$5\frac{3}{4}$	$8\frac{7}{8}-9\frac{1}{16}$	$8\frac{15}{16}-9\frac{1}{16}$	$5\frac{13}{16}$	5·25	9·11	503·8	3·26	4·98
1973		13	12·82	$16-16\frac{1}{8}$	13	$9\frac{1}{2}$	$16\frac{1}{16}-16\frac{5}{16}$	$15\frac{3}{4}-16$	$10\frac{3}{8}$	7·50	10·85	435·6	4·12	. .
1974		$11\frac{1}{2}$	11·30	$13\frac{1}{4}$	12	$9\frac{1}{2}$	$12\frac{1}{16}-12\frac{13}{16}$	$12\frac{5}{8}-12\frac{3}{4}$	$10\frac{1}{2}$	7·50	14·95	251·2	8·23	21·47
1975		$11\frac{1}{4}$	10·93	$11\frac{1}{4}-11\frac{3}{8}$	11	7	$11\frac{1}{16}-11\frac{3}{16}$	$11-11\frac{1}{8}$	$6\frac{1}{16}$	7·00	14·66	311·0	6·81	19·49
1976		$14\frac{1}{4}$	13·98	$14\frac{3}{4}-15$	14	11	$14\frac{1}{8}-14\frac{5}{8}$	$14\frac{1}{16}-14\frac{1}{8}$	$5\frac{1}{16}$	7·80	14·25	368·0	5·96	17·61
1977		7		$6\frac{3}{4}$	$6\frac{3}{4}-7\frac{1}{2}$	$3\frac{1}{2}-4\frac{1}{2}$	$6\frac{9}{16}-6\frac{3}{4}$	$6\frac{3}{8}-6\frac{7}{16}$	$7\frac{1}{8}$	6·00	12·32	452·3	5·42	16·50
1975	*A*	$9\frac{3}{4}$	9·46	$9\frac{3}{4}$	$9\frac{1}{2}$	$6\frac{1}{4}$	$9\frac{9}{16}-9\frac{7}{8}$	$9\frac{13}{16}-9\frac{15}{16}$	$6\frac{13}{16}$	7·50	14·58	314·9	6·51	19·30
	M	10	9·67	10	$9\frac{1}{2}$	$6\frac{1}{4}$	$9\frac{7}{8}-10$	$9\frac{13}{16}-9\frac{15}{16}$	$6\frac{1}{16}$	7·50	15·22	339·0	6·12	18·09
	J	10	9·71	$9\frac{1}{2}-9\frac{5}{8}$	$9\frac{1}{2}$	$6\frac{1}{4}$	$9\frac{5}{8}-9\frac{13}{16}$	$9\frac{5}{8}-9\frac{3}{4}$	$6\frac{3}{4}$	7·00	14·70	332·6	6·06	18·07
	J	11	10·72	$10\frac{1}{2}-10\frac{5}{8}$	$9\frac{1}{2}$	$6\frac{1}{4}$	$10\frac{3}{8}-10\frac{11}{16}$	$10\frac{1}{2}-10\frac{5}{8}$	$7\frac{1}{8}$	7·00	14·06	304·4	6·68	19·62
	A	11	10·66	$10\frac{1}{2}$	10	$6\frac{1}{2}$	$10\frac{3}{8}-10\frac{9}{16}$	$10\frac{3}{8}-10\frac{1}{2}$	$7\frac{3}{8}$	7·00	14·12	298·3	6·94	19·91
	S	11	10·76	$10\frac{5}{8}-10\frac{7}{8}$	10	$6\frac{1}{2}$	$10\frac{1}{2}-10\frac{11}{16}$	$10\frac{5}{8}-10\frac{3}{4}$	$7\frac{17}{32}$	7·00	14·03	323·9	6·31	17·58
	O	12	11·74	$11\frac{5}{8}-11\frac{3}{4}$	11	7	$11\frac{9}{16}-11\frac{3}{4}$	$11\frac{7}{16}-11\frac{1}{2}$	$6\frac{13}{16}$	7·00	14·90	341·9	6·14	16·88
	N	$11\frac{1}{2}$	11·30	$11\frac{3}{8}-11\frac{7}{16}$	11	7	$11\frac{1}{8}-11\frac{3}{8}$	$11\frac{3}{16}-11\frac{5}{16}$	$7\frac{1}{16}$	7·00	14·79	367·9	5·76	16·02
	D	$11\frac{1}{4}$	10·93	$11\frac{1}{4}-11\frac{3}{8}$	11	7	$11\frac{1}{16}-11\frac{3}{16}$	$11-11\frac{1}{8}$	$6\frac{1}{16}$	7·00	14·86	365·8	5·74	15·98
1976	*J*	10	9·52	$9\frac{7}{8}-9\frac{15}{16}$	$10\frac{1}{2}$	$6\frac{1}{2}$	$9\frac{3}{8}-9\frac{11}{16}$	$9\frac{7}{16}-9\frac{1}{2}$	$5\frac{3}{8}$	7·00	13·78	397·0	5·30	14·91
	F	$9\frac{1}{4}$	8·80	$9-9\frac{1}{8}$	$9\frac{1}{2}$	$5\frac{1}{2}$	$8\frac{3}{4}-8\frac{7}{8}$	$8\frac{11}{16}-8\frac{13}{16}$	$5\frac{5}{8}$	7·00	13·54	404·2	5·17	14·99
	M	9	8·60	$8\frac{5}{8}-8\frac{3}{4}$	$9\frac{1}{2}$	$5\frac{1}{2}$	$8\frac{9}{16}-8\frac{11}{16}$	$8\frac{7}{16}-8\frac{9}{16}$	$5\frac{7}{16}$	7·00	13·95	404·7	5·12	15·01
	A	$10\frac{1}{2}$	10·20	$10\frac{1}{8}-10\frac{1}{4}$	$9\frac{1}{2}$	$5\frac{1}{2}$	$9\frac{13}{16}-10\frac{1}{16}$	$9\frac{7}{8}-9\frac{15}{16}$	$5\frac{9}{16}$	7·00	13·97	406·0	5·13	15·17
	M	$11\frac{1}{2}$	11·31	$11\frac{1}{4}-11\frac{3}{8}$	$10\frac{1}{2}$	$6\frac{1}{2}$	$11\frac{1}{4}-11\frac{11}{16}$	$11\frac{5}{16}-11\frac{7}{16}$	$6\frac{5}{8}$	6·50	13·72	406·6	5·26	15·19
	J	$11\frac{1}{2}$	11·30	$11\frac{1}{8}-11\frac{1}{4}$	$10\frac{1}{2}$	$6\frac{1}{2}$	$11\frac{1}{8}-11\frac{7}{16}$	$11\frac{1}{4}-11\frac{3}{8}$	$6\frac{1}{16}$	6·50	14·01	378·6	5·69	16·14
	J	$11\frac{1}{2}$	11·17	$11\frac{3}{16}-11\frac{1}{4}$	$10\frac{1}{2}$	$6\frac{1}{2}$	$11\frac{3}{16}-11\frac{1}{4}$	$11\frac{3}{16}-11\frac{1}{4}$	$5\frac{13}{16}$	6·50	13·95	383·8	5·74	16·44
	A	$11\frac{1}{2}$	11·25	$11\frac{1}{8}-11\frac{1}{4}$	$10\frac{1}{2}$	$6\frac{1}{2}$	$11\frac{1}{8}-11\frac{5}{16}$	$11\frac{3}{16}-11\frac{1}{4}$	$5\frac{11}{16}$	6·50	14·11	368·1	6·03	17·55
	S	13	12·74	$12\frac{3}{4}-12\frac{7}{8}$	12	$8\frac{1}{2}$	$12\frac{1}{2}-12\frac{3}{4}$	$12\frac{1}{2}-12\frac{5}{8}$	$5\frac{5}{8}$	6·50	14·47	344·0	6·52	19·23
	O	15	14·97	$15\frac{1}{4}-15\frac{1}{2}$	14	11	$15\frac{1}{8}-15\frac{3}{8}$	$15\frac{3}{16}-15\frac{1}{4}$	$5\frac{7}{16}$	6·50	15·43	293·6	7·61	23·07
	N	$14\frac{3}{4}$	14·54	$15-15\frac{1}{4}$	14	11	$14\frac{3}{4}-14\frac{15}{16}$	$14\frac{9}{16}-14\frac{11}{16}$	$5\frac{5}{16}$	7·80	15·22	301·0	7·28	22·66
	D	$14\frac{1}{4}$	13·98	$14\frac{3}{4}-15$	14	11	$14\frac{1}{8}-14\frac{5}{8}$	$14\frac{1}{16}-14\frac{1}{8}$	$5\frac{1}{16}$	7·80	14·82	328·6	6·67	20·91
1977	*J*	$12\frac{1}{4}$	12·09	$12\frac{3}{8}-13\frac{3}{8}$†	13	$9\frac{1}{2}$	$12\frac{1}{8}-12\frac{3}{8}$	$12-12\frac{1}{16}$	$5\frac{1}{4}$	7·80	13·67	374·7	6·01	18·69
	F	12	11·06	$11\frac{5}{8}$	$11\frac{1}{2}$	8	$11\frac{5}{16}-11\frac{9}{16}$	$11\frac{1}{8}-11\frac{3}{16}$	$5\frac{3}{16}$	7·80	13·47	393·8	5·83	18·77
	M	$10\frac{1}{2}$	9·57	$9\frac{1}{2}-9\frac{5}{8}$	$9\frac{1}{2}$	$6\frac{1}{2}$	$9\frac{3}{4}-9\frac{15}{16}$	$9\frac{9}{16}-9\frac{5}{8}$	$5\frac{7}{32}$	7·80	12·35	418·2	5·39	16·91
	A	$8\frac{1}{4}$	7·64	$8\frac{1}{8}$	9	$4\frac{1}{2}$	$7\frac{15}{16}-8\frac{13}{16}$	$7\frac{13}{16}-7\frac{7}{8}$	$5\frac{5}{16}$	7·80	12·55	415·1	5·51	16·82
	M	8	7·57	$7\frac{3}{4}-7\frac{7}{8}$	$8\frac{1}{2}$	4	$7\frac{11}{16}-7\frac{15}{16}$	$7\frac{11}{16}-7\frac{3}{4}$	$6\frac{1}{16}$	7·00	12·41	456·7	5·08	15·54
	J	8	7·60	$7\frac{7}{8}-8$	$8\frac{1}{2}$	4	$7\frac{3}{4}-8$	$7\frac{3}{4}-7\frac{13}{16}$	$5\frac{5}{16}$	7·00	12·85	450·5	5·19	15·83
	J	8	7·44	$7\frac{5}{8}-7\frac{3}{4}$	$8\frac{1}{2}$	4	$7\frac{5}{8}-7\frac{13}{16}$	$7\frac{9}{16}-7\frac{11}{16}$	$6\frac{1}{4}$	6·70	13·11	443·1	5·37	16·09
	A	7	6·52	$6\frac{5}{8}-6\frac{3}{4}$	8	4	$6\frac{5}{8}-6\frac{3}{4}$	$6\frac{5}{8}-6\frac{11}{16}$	$6\frac{3}{8}$	6·70	12·56	478·6	5·23	15·26
	S	6	5·37	$5\frac{13}{16}-5\frac{7}{8}$	7	3	$5\frac{3}{4}-5\frac{15}{16}$	$5\frac{5}{8}-5\frac{23}{32}$	$6\frac{29}{32}$	6·70	11·52	522·8	5·08	14·98
	O	5	4·53	$4\frac{3}{4}-5$	6	3	$4\frac{3}{16}-5$	$4\frac{3}{16}-4\frac{5}{16}$	$7\frac{1}{2}$	6·70	10·84	511·9	5·26	15·55
	N	7	6·53	$6\frac{3}{4}$	6	3	$6\frac{1}{2}-7\frac{1}{8}$	$6\frac{5}{8}-6\frac{11}{16}$	$7\frac{3}{32}$	6·00	11·04	480·5	5·56	16·72
	D	7	6·39	$6\frac{3}{4}$	$6\frac{3}{4}-7\frac{1}{2}$	$3\frac{1}{2}-4\frac{1}{2}$	$6\frac{9}{16}-6\frac{3}{4}$	$6\frac{3}{8}-6\frac{7}{16}$	$7\frac{1}{8}$	6·00	10·90	481·6	5·56	16·83
1978	*J*	$6\frac{1}{2}$	5·85	$6\frac{1}{4}-6\frac{5}{16}$	$6\frac{1}{2}$	3	$6\frac{5}{16}-6\frac{1}{2}$	$6\frac{1}{8}-6\frac{1}{4}$	$7\frac{15}{16}$	6·00	10·67	482·3	5·57	16·96
	F	$6\frac{1}{2}$	6·07	$6\frac{5}{8}-6\frac{3}{4}$	$6\frac{1}{2}$	3	$6\frac{5}{8}-6\frac{7}{8}$	$6\frac{5}{8}-6\frac{3}{4}$	$7\frac{3}{16}$	5·50	11·21	457·9	5·85	17·74
	M	$6\frac{1}{2}$	6·02	$6\frac{5}{8}-7$	$6\frac{1}{2}$	3	$6\frac{13}{16}-7$	$6\frac{11}{16}-6\frac{13}{16}$	$7\frac{9}{16}$	5·50	11·18	454·9	5·94	17·51
	A	$7\frac{1}{2}$	7·12	$8-8\frac{1}{8}$	$7\frac{1}{2}$	4	$8\frac{3}{16}-8\frac{1}{2}$	$8\frac{1}{8}-8\frac{1}{4}$	$7\frac{25}{32}$	5·50	11·65	460·9	5·85	17·25
	M	9	8·67	$9\frac{1}{4}$	9	6	$9\frac{5}{16}-9\frac{7}{16}$	$9\frac{3}{16}-9\frac{1}{4}$	$7\frac{15}{16}$	5·50	12·07	476·6	5·58	16·86
	J	10	9·49	$9\frac{7}{8}-10\frac{1}{16}$	10	$6\frac{1}{2}-7$	$10\frac{1}{16}-10\frac{1}{4}$	$9\frac{15}{16}-10\frac{1}{16}$	$8\frac{23}{32}$	5·50	12·31	466·1	2·68	16·65

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[1] Previously known as Bank Rate. From 13 October 1972 to 24 May 1978, the Bank of England's minimum lending rate was normally set ½% higher than the average rate of discount for Treasury bills established at the weekly tender, rounded to the nearest ¼% above. With effect from 25 May 1978 the rate has been determined by administrative decision with changes normally being announced at 12.30 p.m. on Thursdays; a new rate becomes effective for lending by the bank, immediately. For changes in Bank Rate 1932–72 see *Supplement of Definitions and Explanatory Notes* to *Monthly Digest of Statistics (HMSO)*.

[2] Average discount rate expressed as the rate at which interest is earned during the life of the bills.

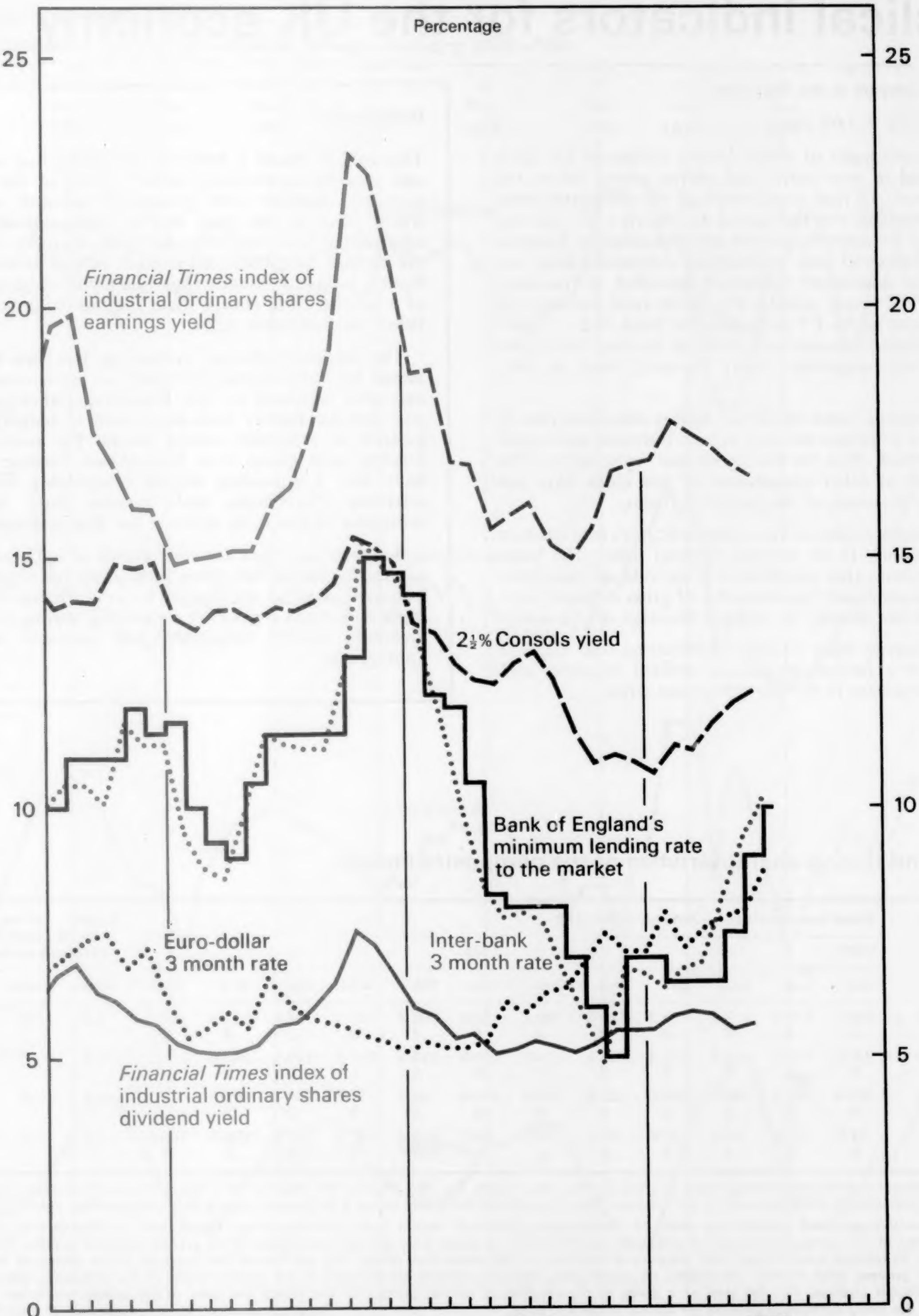
[3] For a minimum term of 3 months and thereafter at 7 days' notice.

[4] Rate paid on deposits of less than £10,000, which was restricted to 9½% from September 1973 to 28 February 1975.

[5] Spread of rates over the day in the inter-bank sterling market.

[6] Net of income tax where this is paid by societies at the agreed composite rate.

[7] A change in basis of calculation of the Earnings yield occurred on 26 February 1973 and is explained in *Financial Statistics Explanatory handbook*. No meaningful average for February 1973 is therefore available.


Percentage
25
20
15
10
5
0
Financial Times index of industrial ordinary shares earnings yield
2½% Consols yield
Bank of England's minimum lending rate to the market
Euro-dollar 3 month rate
Inter-bank 3 month rate
Financial Times index of industrial ordinary shares dividend yield
1975
1976
1977
1978

Cyclical indicators for the UK economy

Recent movements in the indicators

(*data available to 14th July*)

The composite index of *longer leading* indicators fell again in June and is now more than eleven points below the October level. All four components of the composite index are now available for the period to March 1978 and the inclusion of the latest figures for net acquisition of financial assets of industrial and commercial companies have not changed the downward movement recorded in the composite index in recent months. The fall in June was due to a slight decrease in the FT-Actuaries 500 index and a further rise in short-term interest rates, (used in inverted form when compiling the composite index). Housing starts in May also fell.

The composite index of *shorter leading* indicators rose in May due to a further increase in hire purchase new credit extended which offset the fall in new car registrations. The latest values of other components of this index have not affected the direction of the composite index.

The composite index of *coincident* indicators rose again in May due mainly to an increase in retail sales. The latest values for some other components – the index of manufacturing production and the measures of gross domestic product – have not altered the upward direction of this index.

The composite index of *lagging* indicators rose again in June due to a further increase in unfilled vacancies and some improvement in the unemployment series.

Definitions[1]

This section shows a reference chronology of peaks and troughs representing growth cycles in the UK economy, together with groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. Growth cycles are defined as cyclical movements in the deviations from a long-term trend; thus, the contraction phase of a growth cycle occurs when the rate of growth is below this long-term value.

The historical reference chronology has been determined by examination of a range of series covering aggregate economic activity. Known special economic and climatic factors were discounted in judging the location of reference turning points. The indicators forming each group have been chosen because they have had a consistent timing relationship to the reference chronology, and because there is an economic rationale to account for this relationship.

A composite index for each group of indicators is formed by subtracting from each series the values of its long-term trend, then taking a simple average of the trend-eliminated series after smoothing, scaling to give cycles of similar amplitude, and inversion where appropriate.

Values and timing characteristics of the composite indices

	Most recent values[2] January 1970 = 100												Lead (−) or lag (+) in months relative to reference cycle dates		
	1977						1978								
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Mean	Earliest	Latest
Longer leading ..	108·4 *4*	111·9 *4*	113·1 *4*	113·3 *4*	111·9 *4*	109·3 *4*	107·3 *4*	105·7 *4*	105·1 *4*	104·4 *3*	103·5 *3*	102·1 *2*	−13	−19	−6
Shorter leading ..	109·8 *5*	112·2 *5*	112·9 *5*	112·6 *5*	112·9 *5*	114·3 *5*	115·5 *5*	116·8 *5*	117·3 *5*	120·0 *2*	122·6 *2*		−6	−8	−2
Coincident ..	101·6 *6*	102·3 *6*	102·0 *6*	102·0 *6*	102·6 *6*	103·9 *6*	105·6 *6*	106·7 *6*	107·5 *6*	108·6 *3*	109·3 *2*		−1	−6	+4
Lagging	96·9 *5*	97·5 *5*	97·2 *5*	97·6 *5*	97·9 *5*	98·8 *5*	99·7 *5*	100·7 *5*	101·2 *5*	102·7 *2*	104·3 *2*	105·4 *2*	+12	+2	+16

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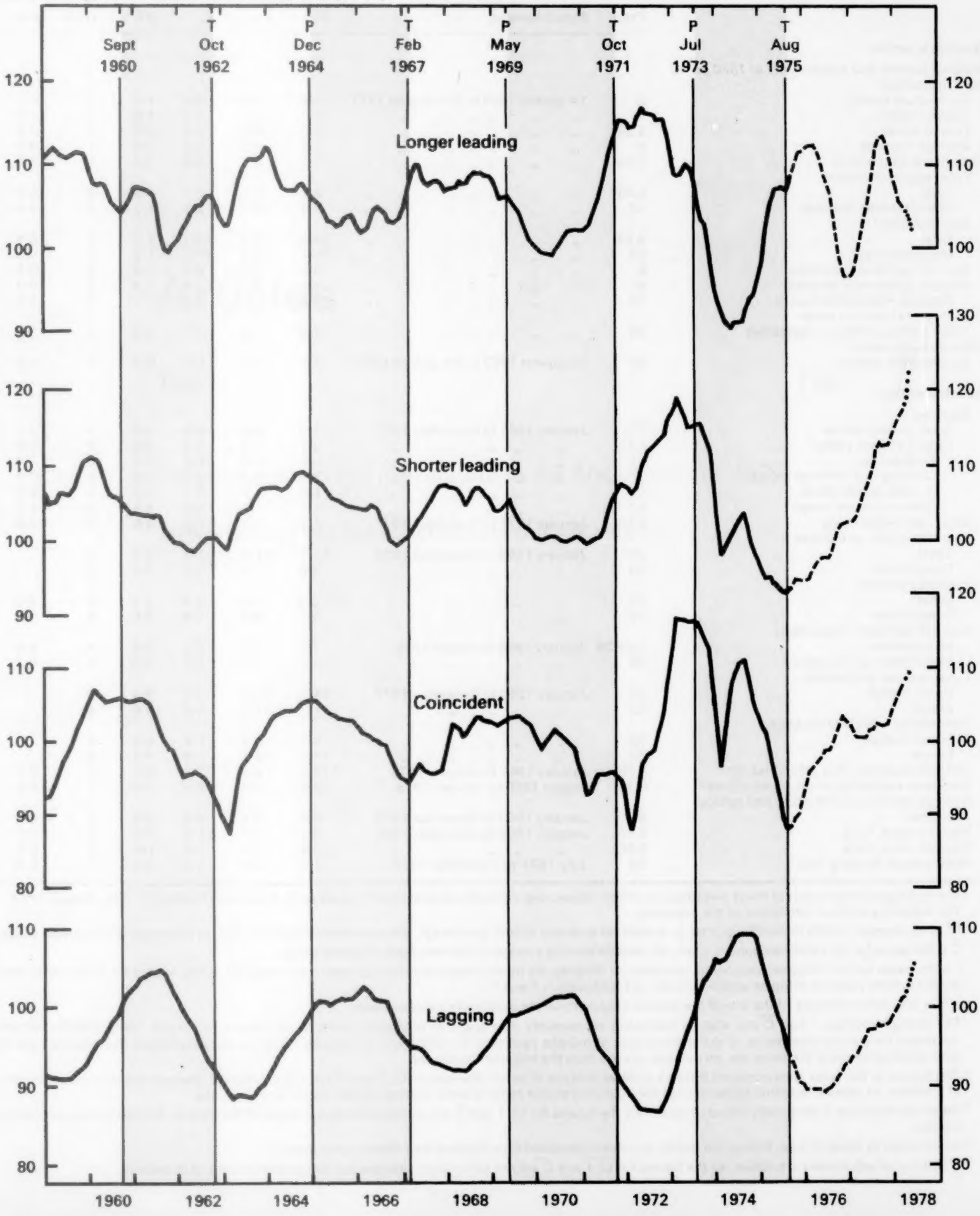
[1] A full explanation of the methodology used is given in *Economic Trends*. No. 257, March 1975 and No. 271, May 1976. Each month a chart of the composite indicators is published with, in the February, May, August and November issues, a further eight pages showing individual indicator series.

[2] In the table, the upper row presents the values of the composite indices for recent months, the lower row the number of series used to form each index. Values of the composite indices are published solely in order to show more precisely the shape of the graphs in recent months. The values are subject to revision each month, both because of revisions to the series from which they are formed and because of the nature of the trend-elimination process used in their calculation; no significance, therefore, should be attached to the current levels of the indicators, although the month-to-month changes may be used as a guide to the location of turning points. On the charts the parts of the curves which are liable to revision in the trend-elimination process are shown in pecked lines; where the composite indices are based on an incomplete set of indicators, the curves are shown as dotted lines. Additional tables giving the values of all series used are available from the CSO Press Office. 01-233 6193.

Cyclical indicators

Composite indices of indicator groups. January 1970=100



P = Peak T = Trough

Measures of variability of selected economic series[1]

	Page	Period covered	Average percentage changes				MCD or QCD	$\overline{I}/\overline{C}$ for MCD (or QCD) span
			$\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I}/\overline{C}$		
Quarterly series								
National income and components at 1970 prices								
GDP, factor cost								
Expenditure based	6	1st quarter 1966 to 2nd quarter 1977	1·4	1·0	0·9	1·2	2	0·5
Income based	6	„ „ „ „ „ „ „	1·7	1·1	1·2	1·0	1	1·0
Output based	6,28	„ „ „ „ „ „ „	1·0	0·6	0·7	0·8	1	0·8
Average estimate	6	„ „ „ „ „ „ „	1·2	0·7	0·8	0·9	1	0·9
Consumers' expenditure	8,10	„ „ „ „ „ „ „	1·2	0·7	0·8	0·9	1	0·9
Fixed capital formation								
Total	8,16	„ „ „ „ „ „ „	2·2	1·7	1·1	1·5	2	0·6
Manufacturing industry	18	„ „ „ „ „ „ „	3·8	2·7	2·3	1·2	2	0·4
Stockbuilding[2]								
Total	8,22	„ „ „ „ „ „ „	*99·5*	*73·9*	*60·3*	1·2	2	0·6
Manufacturing	22	„ „ „ „ „ „ „	*76·2*	*50·8*	*40·6*	1·2	2	0·6
Exports: goods and services	8	„ „ „ „ „ „ „	3·8	3·2	2·1	1·5	2	0·5
Imports: goods and services	8	„ „ „ „ „ „ „	3·0	2·2	1·8	1·3	2	0·4
Personal disposable income	10	„ „ „ „ „ „ „	1·6	1·1	1·1	1·1	2	0·3
Other national income series								
Gross trading profits of companies	58	„ „ „ „ „ „ „	4·0	2·6	3·3	0·8	1	0·8
Other quarterly series								
Construction output	30	1st quarter 1963 to 4th quarter 1976	2·0	1·2	1·4	0·9	1	0·9
Monthly series								
Retail sales								
Total: current prices	12	January 1961 to December 1977	1·0	0·6	0·7	0·9	1	0·9
Total: constant prices	5,12	„ „ „ „ „	0·7	0·6	0·3	2·5	3	0·9
Food shops	12	„ „ „ „ „	0·6	0·6	0·2	2·9	4	0·8
Clothing and footwear shops	12	„ „ „ „ „	2·0	1·9	0·4	5·6	6	0·9
Durable goods shops	12	„ „ „ „ „	1·8	1·7	0·7	2·2	3	0·8
Other non-food shops	12	„ „ „ „ „	1·1	1·0	0·3	2·8	3	1·0
Cars: new registrations	5,12	January 1971 to December 1977	7·8	7·4	1·6	4·6	6	0·9
Housing: public authorities[4]								
Starts	20	January 1956 to December 1977	11·7	11·4	1·7	6·7	6	
Completions	20	„ „ „ „ „	7·8	7·6	1·1	7·0	6	
Housing; private								
Starts	20	„ „ „ „ „	8·3	8·0	2·4	3·4	4	0·9
Completions	20	„ „ „ „ „	6·1	6·0	0·9	6·5	6	1·0
Index of industrial production:								
All industries	5,26,28	January 1968 to August 1976	1·0	0·9	0·4	2·6	4	0·8
Manufacturing industries	26	„ „ „ „ „	1·2	1·1	0·4	2·8	4	0·7
Passenger car production:								
Home market	32	January 1968 to December 1977	11·9	11·7	2·0	5·9	6	
Export	32	„ „ „ „ „	11·2	11·0	0·8	13·8	6	
Commercial vehicle production:								
Home market	32	„ „ „ „ „	9·2	8·9	1·4	6·2	6	
Export	32	„ „ „ „ „	11·0	10·8	1·5	7·4	6	
Unemployed excluding school-leavers[5]	5,36	January 1961 to January 1978	*13·5*	*4·5*	*12·2*	0·4	1	0·4
Vacancies notified to employment offices[5]	5,36	August 1960 to January 1978	*5·9*	*2·4*	*5·3*	0·5	1	0·5
Average earnings all industries and services covered	5,40	January 1963 to December 1977	1·0	0·4	0·9	0·5	1	0·5
Exports: value, f.o.b.	5,46	January 1964 to December 1976	3·1	2·7	1·3	2·0	2	0·9
Imports: value, f.o.b.	5,46	„ „ „ „ „	2·9	2·6	1·4	1·9	2	0·9
Money stock (sterling M_3)[3]	50	July 1971 to December 1977	1·3	0·6	1·2	0·5	1	0·5

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[1] For a complete description of these measures see article 'Measuring variability in economic time series' in *Economic Trends*, No. 226, August 1972. The following are brief definitions of the measures.

$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.

$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.

$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes [2], [3] and [5].

$\overline{I}/\overline{C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.

The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I}/\overline{C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are, on average, greater than the irregular movement.

[2] The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present seasonal adjustment of the published stocks series is done multiplicatively on the level of stocks.

[3] Although the series is seasonally adjusted additively the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are presented as percentages of the level of the trend in the preceding quarter.

[4] Series relate to Great Britain, though variability measures calculated from England and Wales component.

[5] The seasonal adjustment is additive. so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.

Articles

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National income and expenditure in the first quarter of 1978[*]

This article presents quarterly estimates of national income and expenditure up to the first quarter of 1978. Provisional summary estimates of gross domestic product were issued on 20 June 1978. The estimates presented here now incorporate the estimates of capital expenditure and of stockbuilding issued by the Department of Industry in a press notice on 29 June 1978. These and other revisions were incorporated in the national income and expenditure press notice issued on 7 July 1978. Unless otherwise stated, the commentary in the article relates to seasonally adjusted data.

In commenting on the quarterly and annual national accounts estimates given in this article, usually only qualitative guidance is given on the relative reliability of different series. Special attention needs to be drawn, however, to the higher margins of error which should be attached to the series estimated at constant prices during periods when the rate of change of prices is relatively large. This point was referred to in an article[†] describing the special problems of estimation which arose in 1972, where mention was made of the significantly higher rate of inflation occurring during the years 1970–72 compared with earlier periods. Subsequently, the rate of change of prices reached even higher levels and the estimates at constant prices should therefore be regarded as subject to greater margins of error than in earlier years; this remains true, despite the recent deceleration in the rate of price increases.

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[*] A general description of national income statistics, together with details of the sources, methods and definitions used in making the estimates, is given in *National Accounts Statistics: Sources and Methods* (HMSO 1968). Subsequent changes are described in the notes to the 1977 Blue Book.

[†] *Economic Trends* No. 234, April 1973.

Gross domestic product at factor cost, total home costs, and national disposable income revalued at constant market prices[1]

Seasonally adjusted

Index numbers, 1970 = 100

		Gross domestic product							
		At current prices		At 1970 prices					
		Based on expenditure data	Based on income data	Based on expenditure data[2]	Based on income data	Based on output data	Average estimate	Implied index of total home costs	**National disposable income at 1970 market prices[3]**
1974		170·0	165·6	110·2	107·4	109·6	109·1	154·1	104·4
1975		214·5	211·5	108·0	106·6	107·4	107·3	198·6	104·3
1976		251·8	247·0	111·4	109·3	108·7	109·8	226·0	106·8
1977		282·9	279·8	111·8	110·6	110·4	110·9	253·0	107·8
1974	*1*	153·2	144·1	107·0	100·8	107·5	105·1	143·1	. .
	2	161·8	157·1	111·4	108·3	110·4	110·0	145·3	. .
	3	180·6	176·3	113·0	110·4	111·3	111·6	159·8	. .
	4	184·4	184·9	109·5	110·0	109·3	109·6	168·4	. .
1975	*1*	200·6	195·4	110·0	107·2	109·2	108·8	182·3	. .
	2	209·4	206·1	108·4	106·8	107·3	107·5	193·2	. .
	3	218·0	216·7	106·4	105·8	106·4	106·2	204·9	. .
	4	229·9	228·0	107·4	106·5	106·8	106·9	214·2	. .
1976	*1*	239·5	231·7	111·4	107·8	108·1	109·1	215·0	. .
	2	246·3	242·6	110·5	108·9	108·4	109·3	222·9	. .
	3	256·3	252·1	111·1	109·3	108·3	109·6	230·6	. .
	4	265·2	261·8	112·6	111·2	110·2	111·3	235·5	. .
1977	*1*	270·6	267·2	111·1	109·7	110·6	110·5	243·6	. .
	2	275·9	274·7	111·9	111·4	109·5	110·9	246·6	. .
	3	289·3	285·5	112·2	110·7	110·6	111·1	257·9	. .
	4	295·7	291·7	112·0	110·5	111·1	111·2	264·0	. .
1978	*1*	305·2	300·9	112·9	111·3	112·0	112·1	270·3	. .
1975	First half	205·0	200·8	109·2	107·0	108·3	108·2	187·8	104·5
	Second half	224·0	222·4	106·9	106·2	106·6	106·6	209·6	104·1
1976	First half	242·9	237·2	111·0	108·4	108·3	109·2	219·0	106·3
	Second half	260·8	257·0	111·9	110·3	109·3	110·5	233·1	107·4
1977	First half	273·3	271·0	111·5	110·6	110·1	110·7	245·1	106·6
	Second half	292·5	288·6	112·1	110·6	110·9	111·2	261·0	109·1

[1] These estimates are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.

[2] Income data deflated by the index of total home costs derived from expenditure data.

[3] Half yearly estimates only.

Gross domestic product

Estimates for the first quarter of 1978 give the first firm indication of a recovery in gross domestic product. All three measures show some growth compared with the previous quarter. The output based estimate, usually considered to be the best measure of short-term movements, increased by nearly 1 per cent following a little growth in output during the latter part of 1977.

Over a longer view, comparing the six months to end-March 1978 with the previous six months, the average estimate of gross domestic product increased by around ½ per cent.

The implied index of total home costs rose by about 2½ per cent between the fourth quarter of 1977 and the first quarter of 1978, when this index was 11 per cent higher than in the first quarter of 1977. Calculated by dividing the expenditure estimate of GDP at factor cost in current prices by the estimate in constant prices, this index is the broadest based measure of *domestically* generated inflation in the economy.

Expenditure (Table 1)

The major movements within the expenditure estimate between the last two recorded quarters were increases of around 2 per cent in consumers' expenditure and a substantial increase in stockbuilding together with a small increase in exports. These increases were partly offset, however, by a sharp increase of around 9 per cent in the volume of imports of goods and services, albeit from a low value in the fourth quarter.

Factor incomes (Table 2)

Total domestic income rose by about 3½ per cent in the first quarter of 1978. Income from employment, its largest component, rose by a similar amount, and in the last two recorded quarters rose faster than in the preceding two quarters. Gross trading profits of companies rose a little in the first quarter, both before and after deducting stock appreciation. Profits net of stock appreciation were substantially above those in the early part of 1977 but most of the increase came in the second and third quarters of that year. The gross trading surplus of public corporations recovered sharply from the dip in the fourth quarter of 1977 which was due largely to the special effects of the Post Office rebates.

Output (Table 3)

The output measure of GDP rose by nearly 1 per cent in the first quarter of 1978, following a little growth in the latter part of 1977. Industrial output rose by ½ per cent after remaining at much the same level through the last 3 quarters of 1977, but was still down on the corresponding quarter of last year. The rise in industrial output in the first quarter mainly reflects modest increases in manufacturing and higher output in the gas, electricity and water industries, with this being due in part to cold weather conditions. Construction output, having risen throughout 1977 fell back about 3 per cent in the first quarter. There was increased activity in the distributive trades in the first quarter, with improved retail sales, and in the transport and communication sector, where postal services and telecommunications continued to expand.

Personal income, expenditure and saving (Tables 4, 12 and 13)

Total income before tax of the personal sector rose about 3 per cent in the first quarter and was 11 per cent higher than a year previously. Civilian wages and salaries rose by about the same amount. Between the third quarter of 1977 and the first quarter of 1978 salaries and wages increased by over 7 per cent compared with less than 3½ per cent between the first and third quarters of 1977. Some of this speeding up of increases in the wage and salary bill may have been due to delayed pay settlements; but earnings figures for April 1978 suggest that the catching up process had not quite been completed by end-March. Current grants from government also rose 3½ per cent in the first quarter, the first full quarter of the higher levels of benefits which became payable in November.

The rise in personal disposable income in the first quarter, at about 2 per cent, was somewhat lower than the rise in income before tax; but this was merely a reflection of the substantial rebates of taxes given in the previous quarter. Comparing the first quarter of this year with the first quarter of 1977, changes in personal taxation contributed to an increase in total disposable personal income of 13½ per cent, some 2½ per cent more than the rise in pre-tax income.

Revalued by the implied deflator of consumers' expenditure, real personal disposable income fell very slightly in the first quarter; but this needs to be viewed in conjunction with the 5 per cent rise between the third and fourth quarters of 1977 when the tax cuts and rebates had their effects. After allowing for the once-off effect of the tax rebates, real personal disposable income rose steadily from the second quarter of last year.

Spending by consumers increased by 4½ per cent in current prices in the first quarter, as the tax rebates paid earlier began to be spent, and this led to a fall in the saving ratio from an artificially high value of 16 per cent in the fourth quarter to 14 per cent in the first quarter. At 1970 prices the increase in consumers' expenditure was about 2 per cent, and concentrated in a limited number of categories. The volume of expenditure on durable goods rose by around 12 per cent, including a 20 per cent increase in the purchase of motor vehicles. Other categories to record above-average increases were wines and spirits, tobacco and fuel and light.

Industrial and commercial companies sector (Table 6)

Gross trading profits of industrial and commercial companies (before providing for depreciation and stock appreciation) are estimated to have been £8·2 billion in the half-year to the end of March 1978, much the same as in the preceding six months. However, stock appreciation in this sector fell substantially through 1977. Net of stock appreciation, profits rose in the latest half-year by around £600 million, although the bulk of this rise took place between the second and third quarters of 1977.

The extent of profits emanating from North Sea oil and gas operations in the total for industrial and commercial companies is given in the following table:

Gross trading profits net of stock appreciation: industrial and commercial companies

	Seasonally adjusted						
	£ million						
	1976	1977	1977				1978
			1st qtr	2nd qtr	3rd qtr	4th qtr	1st qtr
Gross trading profits of North Sea oil and gas (MLH 104) . .	459	1,715	398	452	435	430	510
Gross trading profits excluding North Sea oil	8,871	11,213	2,349	2,700	3,036	3,128	3,136
Total	9,330	12,928	2,747	3,152	3,471	3,558	3,646

Profits in the North Sea (which are calculated after deduction of all exploration expenditure but before any allowance for development), rose only slowly over 1977 following the very sharp rise at the end of 1976. In the half-year to the end of March, although production of oil was increasing, prices were falling and operating costs rising leading to lower profits (see the section on Revisions at the end of this article).

Other sources of industrial and commercial companies' income have remained relatively constant over recent quarters, although interest receipts are down on a year ago with the fall in interest rates. Total company income was little changed over the last recorded eighteen months.

On the allocation of income side of the appropriation account, payments of dividends rose quite sharply in recent quarters. In the six months to end-March 1978 they were 20 per cent up on the corresponding period a year earlier. Payments of UK taxes on income also rose, partly due to the decline in stock appreciation, with the effect that the balance of undistributed income for the industrial and commercial companies' sector fell by about 9 per cent between the last two recorded half-years.

Financial companies and institutions (Table 7)

Total income of financial companies and institutions declined throughout 1977. With the end of the general fall in interest rates, income stabilised in the first quarter of 1978; there was a small fall in rent and non-trading income but this was offset by a rise in income from abroad net of foreign taxes. Interest payments were down in the first quarter, particularly those by building societies reflecting the lower interest rates paid on deposits. The net effect on the balance of undistributed income was an increase of £65 million from a low fourth quarter figure of £160 million.

Public corporations (Table 8)

The gross trading surplus of public corporations rose about £130 million between the fourth quarter 1977 and the first quarter of 1978, although the level in the fourth quarter was depressed because of the special effect of the £7 rebate to telephone subscribers. Allowing for this effect the gross trading surplus of this sector changed little in the five quarters from the beginning of 1977. The pattern of individual corporations over this period, however, differs markedly with the gas and electricity industries and the Post Office recording large and increasing surpluses, offset by the losses of British Steel.

Of other sources of income, subsidies were little changed in the first quarter, but rent and non-trading income increased by nearly £20 million recovering the level of a year earlier. On the allocation of income side of the account, total payments of interest were almost unchanged, with payments to government up slightly and other payments down. The net effect of these movements was to increase the balance of undistributed income, before allowing for depreciation and stock appreciation, by £150 million although some two-thirds of this increase is attributable to the special payment to telephone subscribers in the fourth quarter.

Central government (Table 9)

Total current receipts of central government rose by 5 per cent in the first quarter following a fall in the previous quarter. The 5 per cent rise was partly due to the fact that receipts in the fourth quarter of taxes on income were exceptionally low due to rebates and cuts in personal taxation. Receipts of taxes on expenditure fell by 2 per cent in the first quarter due to a change in the method of raising tobacco duty which led to an estimated shortfall of £250 million in this duty for this quarter only. Interest receipts by central government rose by 15 per cent in the same period, however, reflecting the build-up of foreign exchange reserves which had taken place in 1977. Current expenditure of central government rose by 4 per cent in the first quarter. Expenditure on goods and services increased by 3 per cent, part of which was due to pay rises in the national health service. The first quarter also saw the full effect of the uprating of benefit levels which took place in November, and a sharp rise in current grants paid abroad, as the level of contributions to the EEC increased from the beginning of the year, although some of this increase will be rebated in coming quarters.

Local authorities (Table 10)

Total current receipts of local authorities fell by 2 per cent in the first quarter of 1978, so that receipts for the financial year 1977–78 as a whole were 7 per cent higher than in the previous financial year. In the first quarter rate receipts were little changed and current grants from central government, reflecting irregular patterns of payment, were around 5 per cent down, other categories of income being little changed.

Total current expenditure rose 4½ per cent in the first quarter, with a small rise in final consumption on education, but a much larger rise in the other categories of final expenditure due in the main to pay rises for local authority manual workers and for the police. Current grants to the personal sector increased by about 6 per cent in the quarter and were 50 per cent higher than the first quarter of 1977, mainly due to the new rates for educational grants, which became payable in the third quarter of 1977.

General government final consumption at 1970 prices increased marginally in the first quarter to be about 1½ per cent higher than in the first quarter of 1977. Most of this increase over the last recorded year was in local authority spending, although within the local authority sector, spending on education was unchanged in constant prices.

International transactions (Table 11)

There was a deficit on current account of £305 million in the first quarter of 1978 compared with a surplus of £486 million in the fourth quarter of 1977. The balance of trade in goods contributed over £600 million to the deterioration as a result of a sharp and erratic increase in imports from the low level of the previous quarter. There was a recovery of £60 million in the surplus on services. The remainder of the deterioration in the current account reflects an increase in general government transfers to the European Communities, although some of this increase will be rebated in coming quarters.

At 1970 prices exports of goods and services rose between the quarters by 2 per cent, mostly in goods, compared with an increase of 9 per cent in the import of goods and services, all of which was in goods.

Comparing the last two half year periods when a small surplus on current account was recorded in both, there was an improvement of £180 million at current prices in the balance of trade in goods, but only a much smaller improvement in the surplus on services. Over the same period, and at constant 1970 prices, the volume of exports of goods and services fell by nearly 1½ per cent while the equivalent figure for imports showed an increase of 2½ per cent.

Summary capital account (Table 12)

In the six months to the end of March 1978, total domestic saving decreased slightly (by £0·4 billion). Within this total there was a rise in personal sector saving of around £1·5 billion, due in the main to the tax cuts and rebates in the fourth quarter not having been spent in full, and a fall in the saving of the company sector (largely a reflection of the decline in stock appreciation), and in the government sector.

Over the same period of six months to the end of March, the net acquisition of financial assets of the personal sector increased by over £1 billion with a similar fall in the general government sector.

Gross domestic fixed capital formation (Tables 14 and 15)

The total volume of gross domestic fixed capital formation is estimated to have fallen by about 2 per cent between the fourth quarter of 1977 and the first quarter of 1978. Over a longer period the total volume of investment has shown little discernible trend over the last five quarters, although investment in 1977 as a whole was 4 per cent down on 1976. This picture of a flat trend is found in most of the detailed series for investment by industry, sector and type of asset the one major exception being investment by public corporations which was falling from the last quarter of 1976 through to the first quarter of this year.

Value of the physical increase in stocks and work in progress (Table 16)

Following almost unchanged levels of stocks in the second half of last year, there was stock building of £249 million in the first quarter. The increase was concentrated in manufacturing (£125 million), where it was spread equally between materials and fuels, work in progress and finished goods. There were also increases in wholesale (£53 million) and retail (£61 million) distribution.

The rise in stocks in the first quarter is thought to be due in part to the very sharp rise in imports noted previously. Not all the rise in imports is thought to have found its way into other categories of final demand in the first quarter.

Revisions

GDP(E)

Revisions to the constant price estimates of GDP(E) stem from two main sources. There has been a change in the method used to calculate a part of the factor cost adjustment and also a revision to its pattern of seasonal adjustment. There has also been an increase in the estimate of the volume of exports of goods and services in 1977. The net effect in 1977 of these two changes is to revise upwards the expenditure estimate by about ½ per cent; in earlier years the effect is smaller.

North Sea oil

The preliminary estimate of profits from the North Sea in the last quarter of 1977 has been revised sharply down. Final returns from organisations active in the North Sea indicated that production and prices had both previously been overestimated. Average selling prices for oil dropped in the fourth quarter and again in the first quarter as a result of movements in exchange rates and the world-wide excess supply.

Rebasing the national accounts

As has already been announced, estimates of gross domestic product at constant 1975 prices are due to be published in *National Income and Expenditure 1967–77* at the beginning of September. Quarterly estimates at 1975 prices will first be published in the provisional GDP press notice around the third week in September and in more detailed form in the October 1978 issue of *Economic Trends*. An article describing the rebasing exercise was published in *Economic Trends* No. 293, March 1978.

Central Statistical Office

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*The tables show annual figures from 1973 and quarterly figures from 1975 or 1976.

APPENDIX

Expenditure on the gross domestic product

TABLE 1

£ million

		Final expenditure on goods and services at market prices									
	Gross domestic product at factor cost[1]	Total		Consumers' expenditure	Current expenditure of general government	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress	Exports of goods and services	Imports of goods and services	Taxes on expenditure	Subsidies
		Unadjusted	Seasonally adjusted								
At current prices											
1973	63,581	91,178		45,204	13,269	14,075	1,460[2]	17,170	18,926	10,122[2]	1,451
1974	73,656	109,452		51,962	16,591	16,918	1,053	22,928	27,343	11,466	3,013
1975	92,926	132,171		63,303	22,908	20,708	−1,644	26,896	28,938	14,154	3,847
1976	109,104	158,766		73,424	26,514	23,528	302	34,998	36,512	16,563	3,413
1977	122,564	181,911		83,204	29,178	25,102	1,213	43,214	42,247	20,373	3,273
1975 *1*	21,110	29,786	30,802	13,988	5,450	4,957	−767	6,158	6,860	2,934	1,118
2	22,223	31,885	32,100	15,493	5,420	4,763	−424	6,633	7,065	3,514	917
3	23,566	33,876	33,905	16,238	5,858	5,364	−313	6,729	7,460	3,745	895
4	26,027	36,624	35,364	17,584	6,180	5,624	−140	7,376	7,553	3,961	917
1976 *1*	25,444	36,165	36,969	16,657	6,367	5,833	−429	7,737	7,829	3,697	805
2	26,142	38,312	38,721	17,690	6,570	5,430	28	8,594	9,069	4,036	935
3	27,615	40,401	40,625	18,601	6,695	5,942	220	8,943	9,439	4,198	851
4	29,903	43,888	42,451	20,476	6,882	6,323	483	9,724	10,175	4,632	822
1977 *1*	28,627	42,332	43,434	19,020	7,019	6,089	201	10,003	10,363	4,214	872
2	29,407	44,606	44,981	20,091	7,237	5,906	540	10 832	10,904	5,117	822
3	31,171	46,427	46,566	21,191	7,395	6,311	158	11,372	10,676	5,353	773
4	33,359	48,546	46,930	22,902	7,527	6,796	314	11,007	10,304	5,689	806
1978 *1*	32,341	47,373	48,697	21,664	7,903	6,632	144	11,030	10,909	5,029	906
Revalued at 1970 prices										Adjustment to factor cost[3]	
1973	48,353	71,717		36,132	10,020	10,233	1,365	13,967	14,393	8,971	
1974	47,757	71,293		35,682	10,233	10,001	561	14,816	14,681	8.855	
1975	46,811	69,218		35,269	10,794	9,640	−842	14,357	13,689	8,718	
1976	48,270	71,428		35,406	11,050	9,444	97	15,431	14,207	8,951	
1977	48,437	72,220		35,116	11,057	9,087	444	16,516	14,858	8,925	
Unadjusted											
1976 *1*	11,704	17,158		8,360	2,789	2,445	−136	3,700	3,372	2,082	
2	11,711	17,456		8,633	2,764	2,208	− 22	3,873	3,585	2,160	
3	12,058	17,872		8,859	2,740	2,351	59	3,863	3,606	2,208	
4	12,797	18,942		9,554	2.757	2,440	196	3,995	3,644	2,501	
1977 *1*	11,659	17,464		8,331	2,778	2,297	112	3,946	3,699	2,106	
2	11,855	17,769		8,478	2,761	2,167	198	4,165	3,779	2,135	
3	12,141	18,088		8,783	2,737	2,249	24	4,295	3,724	2,223	
4	12,782	18,899		9,524	2,781	2,374	110	4,110	3,656	2,461	
1978 *1*	11,813	17,911		8,641	2,816	2,252	125	4,077	3,885	2,213	
Seasonally adjusted											
1976 *1*	12,067	17,643		8,806	2,746	2,378	− 1	3,714	3,380	2,196	
2	11,969	17,709		8,793	2,775	2,346	− 12	3,807	3,529	2,211	
3	12,036	17,925		8,879	2,769	2,377	5	3,895	3,642	2,247	
4	12,198	18,151		8,928	2,760	2,343	105	4,015	3,656	2,297	
1977 *1*	12,035	18,000		8,758	2,750	2,259	234	3,999	3,750	2,215	
2	12,120	18,024		8,639	2,762	2,292	229	4,102	3,728	2,176	
3	12,152	18,131		8,829	2,764	2,265	−30	4,303	3,718	2,261	
4	12,130	18,065		8,890	2,781	2,271	11	4,112	3,662	2,273	
1978 *1*	12,227	18,552		9,084	2,790	2,245	249	4,184	3,985	2,340	

---

[1] Equals total final expenditure on goods and services at market prices *less* imports of goods and services *less* adjustment to factor cost. Estimates of the gross domestic product at constant factor cost based on statistics of output and income are given in Table 3, and in the text of the article.

[2] The current price estimates for the second quarter of 1973 include a fall in the book value of stocks of £280 million reflecting tax rebated on the introduction of VAT; the rebate is also included as a deduction from taxes on expenditure and the estimate of gross domestic product at factor cost is thus not affected.

[3] This represents taxes on expenditure *less* subsidies valued at constant rates.

Factor incomes in the gross national product

TABLE 2

£ million

	Gross national product				Factor incomes							
	At market prices	At factor cost	Net property income from abroad	Gross domestic product at factor cost	Total domestic income[1]	Income from employment[2]	Gross trading profits of companies	Gross trading surplus of public corporations[1]	Gross trading surplus of general government enterprises[1]	Other income[3]	*less* Stock appreciation	Residual error
1973	73,575	64,904	1,323	63,581	66,482	43,571	9,097	2,063	140	11,611	−3,211	310
1974	83,415	74,962	1,306	73,656	78,849	52,738	9,655	2,556	130	13,770	−6,386	1,193
1975	104,133	93,826	900	92,926	97,911	68,674	9,768	3,067	151	16,251	−5,342	357
1976	123,770	110,620	1,516	109,104	114,760	78,624	12,443	4,460	189	19,044	−6,663	1,007
1977	140,069	122,969	405	122,564	127,016	86,318	14,414	5,070	171	21,043	−4,595	143
Unadjusted												
1976 *1*	28,640	25,748	304	25,444	26,601	18,537	2,546	1,014	50	4,454	−1,460	303
2	29,616	26,515	373	26,142	28,264	19,459	3,085	1,023	31	4,666	−1,677	−445
3	31,396	28,049	434	27,615	28,852	20,094	2,887	971	60	4,840	−1,714	477
4	34,118	30,308	405	29,903	31,043	20,534	3,925	1,452	48	5,084	−1,812	672
1977 *1*	32,138	28,796	169	28,627	30,979	20,780	3,679	1,431	56	5,033	−1,948	−404
2	33,710	29,415	8	29,407	31,350	21,313	3,666	1,149	43	5,179	−1,210	−733
3	35,909	31,329	158	31,171	31,527	21,790	3,264	1,094	48	5,331	− 789	433
4	38,312	33,429	70	33,359	33,160	22,435	3,805	1,396	24	5,500	− 648	847
1978 *1*	36,563	32,440	99	32,341	33,508	22,988	3,634	1,361	39	5,486	− 775	−392
Seasonally adjusted												
1976 *1*	29,396	26,275	331	25,944	26,806	18,711	2,570	974	50	4,501	−1,460	598
2	30,162	27,042	369	26,673	28,210	19,363	3,030	1,106	31	4,680	−1,677	140
3	31,534	28,182	423	27,759	29,289	20,010	3,200	1,175	60	4,844	−1,714	184
4	32,678	29,121	393	28,728	30,455	20,540	3,643	1,205	48	5,019	−1,812	85
1977 *1*	33,095	29,493	183	29,310	31,175	20,972	3,700	1,361	56	5,086	−1,948	83
2	34,229	29,911	22	29,889	31,264	21,211	3,583	1,234	43	5,193	−1,210	−165
3	36,058	31,460	122	31,338	32,017	21,692	3,620	1,323	48	5,334	− 789	110
4	36,687	32,105	78	32,027	32,560	22,443	3,511	1,152	24	5,430	− 648	115
1978 *1*	37,619	33,160	107	33,053	36,685	23,179	3,654	1,269	39	5,544	− 775	143

[1] Before providing for depreciation and stock appreciation.

[2] Wages and salaries, forces' pay and employers' contributions.

[3] Income from rent and self-employment and the imputed charge for consumption of non-trading capital.

Index numbers of output at constant factor cost

TABLE 3

1970 = 100

			Industrial production							
	Gross domestic product[1,2,3]	Agriculture, forestry and fishing	Total[2]	Mining and quarrying[4]	Manufacturing[2]	Construction[4]	Gas, electricity and water[4]	Transport and communication	Distributive trades	Other services
1970 weights	*1,000*	*30*	*439*	*16*	*327*	*64*	*32*	*84*	*104*	*343*
1973	110·7	111	110·0	92·6	110·5	107·9	118·1	116	114	109
1974	109·6	116	106·4	79·2	109·1	93·8	118·5	116	112	111
1975	107·4	111	100·1	85·9	101·7	86·1	120·3	117	110	114
1976	108·7	101	101·1	88·7	102·8	84·5	123·1	118	110	116
1977	110·4	106	102·6	103·6	103·9	83·2	128·1	124	109	118
Seasonally adjusted										
1975 *1*	109·2	115	103·8	86·4	106·3	87·1	120·0	117	113	113
2	107·3	112	99·6	85·6	100·8	86·3	121·4	118	110	113
3	106·4	109	98·0	85·0	99·2	85·4	117·7	117	107	114
4	106·8	106	99·2	86·6	100·3	85·7	122·0	116	108	114
1976 *1*	108·1	104	100·2	86·6	101·3	86·0	124·2	117	110	116
2	108·4	104	100·8	88·7	102·4	84·6	123·5	117	110	116
3	108·3	100	100·2	87·4	102·6	81·9	119·6	118	111	116
4	110·2	97	103·2	92·1	105·0	85·7	125·1	120	110	118
1977 *1*	110·6	98	103·2	102·4	105·3	80·8	127·5	123	109	118
2	109·5	102	102·3	104·0	103·5	81·7	131·1	123	107	117
3	110·6	110	102·3	104·7	103·2	84·3	128·8	123	110	118
4	111·1	114	102·4	103·4	103·4	85·9	125·0	125	110	119
1978 *1*	112·0	118	102·9	108·5	103·7	83·1	132·6	128	112	119

[1] Alternative estimates of the gross domestic product are given in the text of the article and in Table 1.

[2] The figures are adjusted to allow for the use of delivery rather than production indicators to represent output in certain industries within manufacturing. An analysis of industrial production is given on page 26, but will differ from the series shown here because the adjustment included is not available monthly. There may also be differences because page 26 includes the latest information.

[3] Total output other than exploration for, and extraction of, petroleum and natural gas (MLH 104) is as follows:

1976	*1* 108·0	1977	*1* 110·2	1978	*1* 111·5
	2 108·2		*2* 109·1		
	3 108·2		*3* 110·1		
	4 109·9		*4* 110·6		

[4] This series may not be fully consistent with that shown on page 26, which includes the latest information.

Personal income, expenditure and saving

TABLE 4

£ million

	Personal income before tax													
	Total[1]	Wages and salaries	Forces' pay	Employers' contributions[2]	Current grants from general government[3]	Other personal income[4],[5]	Transfers abroad (net)	UK taxes on income (payments)[6]	National insurance, etc. contributions	Total personal disposable income[7],[8]	Consumers' expenditure	Balance: personal saving[8],[9]		Personal disposable income at 1970 prices[10]
1973	63,098	38,024	925	4,622	6,420	13,107	91	7,781	3,937	51,289	45,204	6,085	*11·9*	40,996
1974	76,142	45,856	1,071	5,811	7,869	15,535	86	10,430	5,000	60,626	51,962	8,664	*14·3*	41,632
1975	96,879	59,300	1,283	8,091	10,194	18,011	96	15,097	6,839	74,847	63,303	11,544	*15·4*	41,701
1976	112,404	67,185	1,473	9,966	12,824	20,956	69	17,623	8,419	86,293	73,424	12,869	*14·9*	41,612
1977	125,154	73,765	1,500	11,053	15,206	23,630	117	18,332	9,454	97,251	83,204	14,047	*14·4*	41,045
Unadjusted														
1976 *1*	26,754	15,911	354	2,272	3,088	5,129	37	4,528	1,855	20,334	16,657	3,677	*18·1*	10,196
2	27,533	16,629	351	2,479	3,155	4,919	12	4,373	2,131	21,017	17,690	3,327	*15·8*	10,248
3	28,817	17,137	390	2,567	3,188	5,535	9	4,185	2,191	22,432	18,601	3,831	*17·1*	10,674
4	29,300	17,508	378	2,648	3,393	5,373	11	4,537	2,242	22,510	20,476	2,034	*9·0*	10,494
1977 *1*	30,165	17,742	355	2,683	3,595	5,790	28	4,991	2,251	22,895	19,020	3,875	*16·9*	10,024
2	30,609	18,215	361	2,737	3,754	5,542	13	4,564	2,354	23,678	20,091	3,587	*15·1*	9,988
3	31,788	18,610	406	2,774	3,801	6,197	27	4,604	2,384	24,773	21,191	3,582	*14·5*	10,264
4	32,592	19,198	378	2,859	4,056	6,101	49	4,173	2,465	25,905	22,902	3,003	*11·6*	10,769
1978 *1*	33,736	19,689	388	2,911	4,256	6,492	89	5,117	2,499	26,031	21,664	4,367	*16·8*	10,383
Seasonally adjusted														
1976 *1*	26,965	16,085	354	2,272	3,079	5,175	37	4,331	1,855	20,742	17,478	3,264	*15·8*	10,448
2	27,593	16,533	351	2,479	3,125	5,105	12	4,474	2,131	20,976	17,906	3,070	*14·6*	10,299
3	28,384	17,053	390	2,567	3,213	5,161	9	4,136	2,191	22,048	18,646	3,402	*15·4*	10,497
4	29,462	17,514	378	2,648	3,407	5,515	11	4,682	2,242	22,527	19,394	3,133	*13·9*	10,368
1977 *1*	30,443	17,934	355	2,683	3,605	5,866	28	4,808	2,251	23,356	19,897	3,459	*14·8*	10,281
2	30,643	18,113	361	2,737	3,727	5,705	13	4,691	2,354	23,585	20,322	3,263	*13·8*	10,026
3	31,413	18,512	406	2,774	3,800	5,921	27	4,549	2,384	24,453	21,312	3,141	*12·9*	10,131
4	32,655	19,206	378	2.859	4,074	6,138	49	4,284	2,465	25,857	21,673	4,184	*16·2*	10,607
1978 *1*	33,709	19,880	388	2,911	4,221	6,309	89	4,806	2,499	26,315	22,611	3,704	*14·1*	10,572

[1] Before providing for depreciation and stock appreciation.

[2] Employers' contributions to national insurance, etc. and pension funds.

[3] National insurance benefits, family allowances, assistance grants, war pensions and service grants, etc.

[4] Income from rent and self-employment, before providing for depreciation and stock appreciation, dividend and net interest receipts, and transfers to charities from companies and an imputed charge for capital consumption of private, non-profit-making bodies.

[5] From the second quarter of 1973 includes tax credits on dividends.

[6] From the second quarter of 1973 includes imputed tax payments set against tax credits on dividends *less* payments of these tax credits by the Inland Revenue.

[7] Equals total personal income before tax *less* payments of taxes on income, national insurance, etc. contributions and net transfers abroad.

[8] Before providing for depreciation, stock appreciation and additions to tax reserves.

[9] Personal saving as a percentage of total personal disposable income is shown in italics.

[10] Personal disposable income revalued by the implied consumers' expenditure deflator (1970 = 100).

Appropriation account of companies and financial institutions

TABLE 5

£ million

		Income						Allocation of income					
		Income arising in the United Kingdom						Dividends and interest, etc.					
		Gross trading profits											
	Total[1]	After deducting stock appreciation	Stock appreciation	Total[2]	Rent and non-trading income	Income from abroad (net of taxes paid abroad)		Payments of dividends on ordinary shares[3]	Other[3]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Balance: undistributed income[5]	Taxes paid abroad on income from abroad[1]
1972	11,859	6,407	1,062	7,469	2,963	1,427		1,613	2,276	629	1,477	5,864	*1,753*
1973	15,870	6,554	2,543	9,097	4,236	2,537		1,695	3,336	754	1,895	8,190	*2,549*
1974	17,667	4,640	5,015	9,655	5,295	2,717		1,518	4,377	655	2,815	8,302	*4,176*
1975	17,907	5,584	4,184	9,768	5,676	2,463		1,645	4,536	622	2,256	8,848	*3,625*
1976	22,821	7,220	5,223	12,443	6,805	3,573		1,940	4,937	978	2,050	12,916	*4,417*
1977	24,969	10,858	3,556	14,414	7,219	3,336		2,286	5,163	1,719	3,080	12,721	*4,178*
Unadjusted													
1975 *1*	4,369	1,104	1,290	2,394	1,379	596		347	1,128	174	1,331	1,389	*974*
2	4,370	1,407	995	2,402	1,374	594		482	1,098	184	340	2,266	*926*
3	4,116	1,207	904	2,111	1,415	590		414	1,098	112	288	2,204	*950*
4	5,052	1,866	995	2,861	1,508	683		402	1,212	152	297	2,989	*775*
1976 *1*	4,840	1,430	1,116	2,546	1,510	784		380	1,109	261	1,084	2,006	*1,039*
2	5,569	1,800	1,285	3,085	1,616	868		568	1,180	217	301	3,303	*1,067*
3	5,539	1,546	1,341	2,887	1,730	922		490	1,198	218	370	3,263	*1,156*
4	6,873	2,444	1,481	3,925	1,949	999		502	1,450	282	295	4,344	*1,155*
1977 *1*	6,387	2,216	1,463	3,679	1,869	839		427	1,378	388	1,596	2,598	*1,072*
2	6,339	2,720	946	3,666	1,819	854		641	1,313	481	513	3,391	*1,103*
3	5,888	2,595	669	3,264	1,800	824		600	1,233	409	449	3,197	*1,027*
4	6,355	3,327	478	3,805	1,731	819		618	1,239	441	522	3,535	*976*
1978 *1*	6,143	3,098	536	3,634	1,721	788		523	1,102	483	1,969	2,066	*981*
Seasonally adjusted													
1975 *1*	4,406	1,126	1,290	2,416	1,380	610		440	1,176	177	542	2,071	*934*
2	4,304	1,356	995	2,351	1,374	579		397	1,092	177	581	2,057	*908*
3	4,342	1,419	904	2,323	1,412	607		394	1,099	130	562	2,157	*1,029*
4	4,855	1,683	995	2,678	1,510	667		414	1,169	138	571	2,563	*754*
1976 *1*	4,881	1,454	1,116	2,570	1,507	804		539	1,146	266	362	2,568	*1,017*
2	5,499	1,745	1,285	3,030	1,619	850		468	1,174	205	534	3,118	*1,052*
3	5,873	1,859	1,341	3,200	1,726	947		416	1,207	251	512	3,487	*1,203*
4	6,568	2,162	1,481	3,643	1,953	972		517	1,410	256	642	3,743	*1,145*
1977 *1*	6,441	2,237	1,463	3,700	1,879	862		589	1,412	392	641	3,407	*1,072*
2	6,229	2,637	946	3,583	1,812	834		514	1,305	461	703	3,246	*1,085*
3	6,269	2,951	669	3,620	1,802	847		563	1,242	453	803	3,208	*1,043*
4	6,030	3,033	478	3,511	1,726	793		620	1,204	413	933	2,860	*978*
1978 *1*	6,182	3,118	536	3,654	1,714	814		734	1,139	490	974	2,845	*980*

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[1] Taxes paid abroad are not included in total income, but are shown only as a memorandum item.

[2] Before providing for depreciation and stock appreciation.

[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in UK taxes on income.

[4] Payments of corporation tax (including advance corporation tax from 6 April 1973). Up to 5 April 1973 the balance of deductions of income tax from dividends over payments to the Inland Revenue is also deducted. The amounts of advance corporation tax paid since 6 April 1973, gross of repayments and including the additional charge in the financial year 1974—75, are as follows (£ million):

		1973	*1974*	*1975*	*1976*	*1977*	*1978*
Quarter	*1*	—	153	289	273	315	356 .
	2	4	201	181	203	248	
	3	134	392	255	282	346	
	4	138	275	212	259	303	
Year		276	1,021	937	1,014	1,212	

[5] Before providing for depreciation, stock appreciation and additions to reserves.

Appropriation account of industrial and commercial companies

TABLE 6

£ million

		Income						Allocation of income						
		Income arising in the United Kingdom						Dividends and interest, etc.						
		Gross trading profits			Rent and non-trading income									
	Total	After deducting stock appreciation	Stock appreciation	Total[1]	Total	*of which* from financial companies[2]	Income from abroad (net of taxes paid abroad)	Payments of dividends on ordinary shares[3]	Other[3]	*of which* to financial companies[2]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Balance undistributed income[5]	Taxes paid abroad on income from abroad[2]
1972	9,928	7,102	1,062	8,164	650	*196*	1,114	1,524	1,510	*969*	549	1,082	5,263	*1,592*
1973	13,132	7,372	2,543	9,915	1,059	*501*	2,158	1,638	2,365	*1,806*	665	1,156	7,308	*2,359*
1974	14,874	6,190	5,015	11,205	1,350	*695*	2,319	1,469	3,340	*2,716*	524	2,022	7,519	*4,012*
1975	14,796	7,362	4,184	11,546	1,356	*619*	1,894	1,608	3,309	*2,674*	447	1,263	8,169	*3,414*
1976	18,908	9,330	5,223	14,553	1,664	*802*	2,691	1,895	3,772	*3,120*	744	850	11,647	*4,077*
1977	20,615	12,928	3,556	16,484	1,521	*636*	2,610	2,219	3,694	*3,048*	1,423	1,732	11,547	*3,816*
Unadjusted														
1975 *1*	3,630	1,545	1,290	2,835	326	*150*	469	342	833	*706*	120	437	1,898	*926*
2	3,600	1,859	995	2,854	306	*130*	440	456	806	*654*	130	295	1,913	*870*
3	3,354	1,646	904	2,550	344	*157*	460	406	792	*633*	79	258	1,819	*897*
4	4,212	2,312	995	3,307	380	*182*	525	404	878	*681*	118	273	2,539	*721*
1976 *1*	3,996	1,931	1,116	3,047	360	*157*	589	368	800	*666*	194	−6	2,640	*958*
2	4,648	2,313	1,285	3,598	392	*178*	658	537	864	*710*	150	252	2,845	*984*
3	4,540	2,083	1,341	3,424	417	*200*	699	486	939	*773*	168	338	2,609	*1,068*
4	5,724	3,003	1,481	4,484	495	*267*	745	504	1,169	*971*	232	266	3,553	*1,067*
1977 *1*	5,304	2,726	1,463	4,189	449	*227*	666	413	1,043	*904*	314	375	3,159	*982*
2	5,237	3,235	946	4,181	372	*152*	684	609	919	*770*	407	458	2,844	*1,016*
3	4,780	3,115	669	3,784	361	*140*	635	583	891	*728*	335	407	2,564	*935*
4	5,294	3,852	478	4,330	339	*117*	625	614	841	*646*	367	492	2,980	*883*
1978 *1*	5,102	3,626	536	4,162	360	*134*	580	521	766	*637*	408	739	2,668	*901*
Seasonally adjusted														
1975 *1*	3,657	1,567	1,290	2,857	326	*150*	474	431	868	*711*	123	304	1,931	*886*
2	3,545	1,808	995	2,803	309	*130*	433	377	800	*641*	123	325	1,920	*852*
3	3,578	1,858	904	2,762	344	*157*	472	389	801	*637*	97	315	1,976	*976*
4	4,016	2,129	995	3,124	377	*182*	515	411	840	*685*	104	319	2,342	*700*
1976 *1*	4,026	1,955	1,116	3,071	359	*157*	596	523	839	*672*	199	150	2,315	*936*
2	4,590	2,258	1,285	3,543	395	*178*	652	445	858	*697*	138	221	2,928	*969*
3	4,873	2,396	1,341	3,737	417	*200*	719	414	946	*776*	201	212	3,100	*1,115*
4	5,419	2,721	1,481	4,202	493	*267*	724	513	1,129	*975*	206	267	3,304	*1,057*
1977 *1*	5,334	2,747	1,463	4,210	449	*227*	675	574	1,086	*910*	318	355	3,001	*982*
2	5,154	3,152	946	4,098	375	*152*	681	492	914	*756*	387	399	2,962	*998*
3	5,149	3,471	669	4,140	361	*140*	648	542	891	*730*	379	457	2,880	*951*
4	4,978	3,558	478	4,036	336	*117*	606	611	803	*652*	339	521	2,704	*885*
1978 *1*	5,132	3,646	536	4,182	360	*134*	590	733	808	*644*	415	556	2,620	*900*

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[1] Before providing for depreciation and stock appreciation.

[2] These items are included solely as memorandum items.

[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.

[4] The residual of all companies payments and accruals of financial companies and institutions taxes on income. The former include payments of corporation tax (including advance corporation tax from 6 April 1973). Up to 5 April 1973 the balance of deductions of income tax from dividends over payments to the Inland Revenue is also deducted. In the fourth quarter of 1977 the amount of advance corporation tax included was £261 million.

[5] Before providing for depreciation, stock appreciation and additions to reserves.

Appropriation account of financial companies and institutions

TABLE 7

£ million

	Income						Allocation of income							
		Income arising in the United Kingdom					Dividends and interest payments, etc.							
			Rent and non-trading income			Income from abroad (net of taxes paid abroad)	Dividends and debenture and loan interest payments[3]	Other interest payments			Profits due abroad (net of UK tax)	UK taxes on income[4]	Balance: undistributed income[5]	Taxes paid abroad on income from abroad[6]
	Total	Gross trading profits[1],[2]	of the banking sector	of building societies	Other			by the banking sector	by building societies	Other				
1972	3,096	−695	1,689	1,085	704	313	329	564	923	204	80	395	601	*161*
1973	5,045	−818	3,238	1,467	779	379	307	1,418	1,361	249	89	739	882	*190*
1974	6,204	−1,550	4,608	1,930	818	398	277	2,201	1,743	276	131	793	783	*164*
1975	6,404	−1,778	4,493	2,248	872	569	298	1,968	2,002	289	175	993	679	*211*
1976	7,835	−2,110	5,321	2,650	1,092	882	326	2,197	2,298	311	234	1,200	1,269	*340*
1977	8,038	−2,070	4,853	3,131	1,398	726	379	1,766	2,733	342	296	1,348	1,174	*362*
Unadjusted														
1975 *1*	1,595	−441	1,188	519	202	127	59	538	486	73	54	894	−509	*48*
2	1,554	−452	1,077	548	227	154	99	437	496	70	54	45	353	*56*
3	1,552	−439	1,067	577	217	130	72	462	498	72	33	30	385	*53*
4	1,703	−446	1,161	604	226	158	68	531	522	74	34	24	450	*54*
1976 *1*	1,667	−501	1,132	611	230	195	69	448	551	76	67	1,090	−634	*81*
2	1,809	−513	1,186	644	282	210	113	497	550	75	67	49	458	*83*
3	1,972	−537	1,331	673	282	223	72	533	554	77	50	32	654	*88*
4	2,387	−559	1,672	722	298	254	72	719	643	83	50	29	791	*88*
1977 *1*	2,214	−510	1,452	785	314	173	75	598	718	89	74	1,221	−561	*90*
2	2,024	−515	1,205	800	364	170	123	445	699	81	74	55	547	*87*
3	1,976	−520	1,158	790	359	189	99	378	664	86	74	42	633	*92*
4	1,824	−525	1,038	756	361	194	82	345	652	86	74	30	555	*93*
1978 *1*	1,812	−528	1,019	754	359	208	78	332	613	86	75	1,230	−602	*80*
Seasonally adjusted														
1975 *1*	1,610	−441	1,188	520	207	136	68	538	499	73	54	238	140	*48*
2	1,530	−452	1,077	545	214	146	82	437	494	70	54	256	137	*56*
3	1,558	−439	1,067	574	221	135	70	462	493	72	33	247	181	*53*
4	1,706	−446	1,161	609	230	152	78	531	516	74	34	252	221	*54*
1976 *1*	1,684	−501	1,132	609	236	208	77	448	551	76	67	212	253	*81*
2	1,784	−513	1,186	644	269	198	94	497	548	75	67	313	190	*83*
3	1,976	−537	1,331	669	285	228	71	533	558	77	50	300	387	*88*
4	2,391	−559	1,672	728	302	248	84	719	641	83	50	375	439	*88*
1977 *1*	2,244	−510	1,452	795	320	187	81	598	710	89	74	286	406	*90*
2	1,983	−515	1,205	790	350	153	101	445	694	81	74	304	284	*87*
3	1,990	−520	1,158	792	361	199	105	378	673	86	74	346	328	*92*
4	1,821	−525	1,038	754	367	187	92	345	656	86	74	412	156	*93*
1978 *1*	1,828	−528	1,019	747	366	224	84	332	608	86	75	418	225	*80*

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[1] Before providing for depreciation and stock appreciation, but the latter is negligible.

[2] This represents the contribution of financial companies and institutions to the gross domestic product. It is the difference between bank charges, commissions, etc., on the one hand and management expenses (wages and salaries and payments for current expenses) on the other.

[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in UK taxes on income.

[4] The accrual of corporation tax on taxable income including from 6 April 1973 advance corporation tax due from financial companies and institutions.

[5] Before providing for depreciation, stock appreciation and additions to reserves.

[6] This item is shown only as a memorandum item.

Appropriation account of public corporations

TABLE 8

£ million

	Income					Allocation of income				
						Interest and dividends (payments)			UK taxes on income (payments)[2]	Balance: undistributed income[3]
	Total	Gross trading surplus[1]	*of which* Subsidies	Rent and non-trading income	Income from abroad	Total	To general government	Other		
1973	2,408	2,063	654	325	20	1,133	889	244	8	1,267
1974	2,989	2,556	1,337	404	29	1,588	1,157	431	11	1,390
1975	3,559	3,067	1,230	452	40	1,918	1,338	580	13	1,628
1976	5,139	4,460	995	629	50	2,369	1,655	714	2	2,768
1977	5,802	5,070	1,014	678	54	2,451	1,767	684	10	3,341
Unadjusted										
1975 *1*	851	742	408	101	8	576	417	159	13	262
2	775	650	298	116	9	341	205	136	—	434
3	689	559	260	119	11	573	442	131	—	116
4	1,244	1,116	264	116	12	428	274	154	—	816
1976 *1*	1,148	1,014	238	122	12	662	531	131	2	484
2	1,173	1,023	270	138	12	466	298	168	—	707
3	1,152	971	240	168	13	664	477	187	—	488
4	1,666	1,452	247	201	13	577	349	228	—	1,089
1977 *1*	1,624	1,431	256	180	13	720	551	169	10	894
2	1,334	1,149	245	172	13	509	331	178	—	825
3	1,271	1,094	249	163	14	816	659	157	—	455
4	1,573	1,396	264	163	14	406	226	180	—	1,167
1978 *1*	1,557	1,361	269	181	15	727	560	167	12	819
Seasonally adjusted										
1975 *1*	826	717	408	101	8	475	316	159	4	347
2	840	715	298	116	9	463	327	136	4	373
3	800	670	260	119	11	471	340	131	3	326
4	1,093	965	264	116	12	509	355	154	2	582
1976 *1*	1,108	974	238	122	12	505	374	131	1	602
2	1,256	1,106	270	138	12	571	403	168	—	685
3	1,356	1,175	240	168	13	617	430	187	—	739
4	1,419	1,205	247	201	13	676	448	228	1	742
1977 *1*	1,554	1,361	256	180	13	626	457	169	2	926
2	1,419	1,234	245	172	13	623	445	178	3	793
3	1,500	1,323	249	163	14	593	436	157	2	905
4	1,329	1,152	264	163	14	609	429	180	3	717
1978 *1*	1,465	1,269	269	181	15	606	439	167	3	857

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[1] Before providing for depreciation and stock appreciation.

[2] Payments to Inland Revenue *less* amounts deducted from dividends and interest paid.

[3] Before providing for depreciation, stock appreciation and additions to reserves.

Current account of central government including National Insurance Fund

TABLE 9

Receipts

£ million

			Taxes on expenditure							
	Total	Taxes on income[1]	Selective employment tax	Other taxes	National insurance contributions	National health contributions	Redundancy Fund contributions[2]	Gross trading surplus[3]	Rent, dividends and interest	Imputed charge for consumption of non-trading capital
1973	22,578	9,295	132	7,343[4]	3,646	239	52	6	1,744	121
1974	28,213	12,548	—	8,377	4,713	235	52	33	2,091	164
1975	36,291	16,537	—	10,176	6,301	451	87	49	2,478	212
1976	42,495	18,700	—	12,060	7,700	604	115	67	2,984	265
1977	48,626	20,251	—	15,179	8,629	673	152	28	3,408	306
Unadjusted										
1975 *1*	9,238	4,872	—	2,097	1,454	59	13	16	679	48
2	8,347	3,580	—	2,475	1,550	126	23	6	536	51
3	9,259	4,006	—	2,698	1,626	131	25	11	708	54
4	9,447	4,079	—	2,906	1,671	135	26	16	555	59
1976 *1*	10,896	5,469	—	2,632	1,693	136	26	23	855	62
2	10,160	4,430	—	2,899	1,950	152	29	1	633	66
3	10,420	4,249	—	3,052	2,005	156	30	28	833	67
4	11,019	4,552	—	3,477	2,052	160	30	15	663	70
1977 *1*	12,776	6,437	—	3,049	2,061	160	30	20	947	72
2	11,762	4,814	—	3,785	2,146	168	40	7	727	75
3	12,244	4,664	—	4,011	2,175	169	40	12	1,095	78
4	11,844	4,336	—	4,334	2,247	176	42	−11	639	81
1978 *1*	14,137	6,774	—	3,662	2,279	178	42	2	1,116	84
Seasonally adjusted										
1975 *1*	8,256	3,844	—	2,233	1,454	59	13	16	589	48
2	8,889	3,987	—	2,512	1,550	126	23	6	634	51
3	9,436	4,244	—	2,731	1,626	131	25	11	614	54
4	9,710	4,462	—	2,700	1,671	135	26	16	641	59
1976 *1*	9,874	4,420	—	2,813	1,693	136	26	23	701	62
2	10,655	4,773	—	2,947	1,950	152	29	1	737	66
3	10,583	4,439	—	3,081	2,005	156	30	28	777	67
4	11,383	5,068	—	3,219	2,052	160	30	15	769	70
1977 *1*	11,591	5,152	—	3,255	2,061	160	30	20	841	72
2	12,227	5,138	—	3,835	2,146	168	40	7	818	75
3	12,484	5,080	—	4,055	2,175	169	40	12	875	78
4	12,324	4,881	—	4,034	2,247	176	42	−11	874	81
1978 *1*	12,994	5,456	—	3,949	2,279	178	42	2	1,004	84

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[1] Tax receipts *less* tax credits.

[2] Includes, from April 1977, contributions to the Maternity Pay Fund.

[3] Before providing for depreciation and stock appreciation.

[4] The current price estimates for the second quarter of 1973 include a fall in the book value of stocks of £280 million reflecting tax rebated on the introduction of VAT: the rebate is also included as a deduction from taxes on expenditure and the estimate of gross domestic product at factor cost is thus not affected.

Current account of central government including National Insurance Fund

TABLE 9 *(continued)*

Expenditure

£ million

	Total	Total current expenditure	Final consumption				Subsidies	National insurance benefits	Other current grants to personal sector	Debt interest	Current grants to local authorities	Current grants paid abroad	Balance: current surplus[1]
			Total	Military defence	National health service	Other							
1973	22,578	21,340	7,715	3,339	2,524	1,852	1,342	3,927	2,220	1,812	3,965	359	1,238
1974	28,213	27,510	9,972	4,053	3,575	2,344	2,740	4,922	2,632	2,186	4,738	320	703
1975	36,291	37,219	13,236	5,123	4,904	3,209	3,402	6,377	3,402	2,697	7,726	379	−928
1976	42,495	44,720	15,671	6,117	5,791	3,763	2,954	7,916	4,349	3,650	9,388	792	−2,225
1977	48,626	49,663	17,328	6,805	6,486	4,037	2,840	9,204	5,259	4,572	9,370	1,090	−1,037
Unadjusted													
1975 *1*	9,238	8,923	3,001	1,126	1,100	775	1,016	1,374	659	694	2,092	87	315
2	8,347	8,878	3,225	1,241	1,214	770	812	1,594	856	548	1,745	98	−531
3	9,259	9,730	3,419	1,329	1,282	808	777	1,640	900	813	2,106	75	−471
4	9,447	9,688	3,591	1,427	1,308	856	797	1,769	987	642	1,783	119	−241
1976 *1*	10,896	11,317	3,795	1,461	1,370	964	689	1,947	981	956	2,726	223	−421
2	10,160	10,758	3,852	1,497	1,445	910	818	1,928	1,063	729	2,207	161	−598
3	10,420	11,207	3,958	1,564	1,455	939	738	1,941	1,104	1,147	2,135	184	−787
4	11,019	11,438	4,066	1,595	1,521	950	709	2,100	1,201	818	2,320	224	−419
1977 *1*	12,776	12,241	4,179	1,622	1,537	1,020	764	2,252	1,145	1,218	2,379	304	535
2	11,762	12,219	4,259	1,671	1,608	980	710	2,227	1,329	1,021	2,399	274	−457
3	12,244	12,416	4,417	1,767	1,646	1,004	661	2,264	1,322	1,254	2,202	296	−172
4	11,844	12,787	4,473	1,745	1,695	1,033	705	2,461	1,463	1,079	2,390	216	−943
1978 *1*	14,137	13,989	4,709	1,798	1,779	1,132	785	2,579	1,376	1,457	2,536	547	148
Seasonally adjusted													
1975 *1*	8,256	8,023	2,946	1,126	1,106	714	960	1,370	678	617	1,405	47	233
2	8,889	9,286	3,277	1,241	1,229	807	838	1,606	847	655	1,970	93	−397
3	9,436	9,921	3,423	1,329	1,269	825	810	1,653	911	700	2,339	85	−485
4	9,710	9,989	3,590	1,427	1,300	863	794	1,748	966	725	2,012	154	−279
1976 *1*	9,874	10,349	3,699	1,461	1,345	893	641	1,945	1,012	824	2,070	158	−475
2	10,655	11,192	3,889	1,497	1,437	955	847	1,940	1,051	877	2,425	163	−537
3	10,583	11,348	4,000	1,564	1,477	959	762	1,954	1,112	939	2,355	226	−765
4	11,383	11,831	4,083	1,595	1,532	956	704	2,077	1,174	1,010	2,538	245	−448
1977 *1*	11,591	11,784	4,107	1,622	1,521	964	710	2,254	1,184	1,152	2,136	241	−193
2	12,227	12,435	4,276	1,671	1,595	1,010	737	2,237	1,310	1,123	2,480	272	−208
3	12,484	12,509	4,453	1,767	1,662	1,024	687	2,278	1,330	1,160	2,283	318	− 25
4	12,324	12,935	4,492	1,745	1,708	1,039	706	2,435	1,435	1,137	2,471	259	−611
1978 *1*	12,994	13,424	4,640	1,798	1,787	1,055	736	2,582	1,423	1,218	2,347	478	−430

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[1] Before providing for depreciation and stock appreciation.

[2] The estimates from the second quarter of 1974 are affected by the transfer of certain functions between public corporations, central government and local authorities.

Current account of local authorities

TABLE 10

Receipts

£ million

	Total	Current grants from central government	Rates		Gross trading surplus[2]	Rent dividends and interest	Imputed charge for consumption of non-trading capital
			Cash receipts	Accruals adjustment[1]			
1973	8,153	3,965	2,533	114	134	1,083	324
1974[3]	9,843	4,738	3,083	6	97	1,561	358
1975	14,204	7,726	4,127	−149	102	1,958	440
1976	16,978	9,388	4,646	−143	122	2,410	555
1977	18,016	9,370	5,384	−190	143	2,646	663
Unadjusted							
1975 *1*	3,517	2,092	750	87	24	461	103
2	3,382	1,745	998	41	25	466	107
3	3,787	2,106	956	91	26	496	112
4	3,518	1,783	1,423	−368	27	535	118
1976 *1*	4,521	2,726	829	236	27	575	128
2	4,096	2,207	1,210	− 73	30	586	136
3	4,060	2,135	1,125	21	32	605	142
4	4,301	2,320	1,482	−327	33	644	149
1977 *1*	4,395	2,379	786	379	36	660	155
2	4,577	2,399	1,505	−173	36	648	162
3	4,423	2,202	1,357	− 15	36	673	170
4	4,621	2,390	1,736	−381	35	665	176
1978 *1*	4,789	2,536	798	569	37	667	182
Seasonally adjusted							
1975 *1*	2,820	1,405	837		24	451	103
2	3,617	1,970	1,039		25	476	107
3	4,025	2,339	1,047		26	501	112
4	3,742	2,012	1,055		27	530	118
1976 *1*	3,852	2,070	1,065		27	562	128
2	4,321	2,425	1,137		30	593	136
3	4,290	2,355	1,146		32	615	142
4	4,515	2,538	1,155		33	640	149
1977 *1*	4,146	2,136	1,165		36	654	155
2	4,672	2,480	1,332		36	662	162
3	4,497	2,283	1,342		36	666	170
4	4,701	2,471	1,355		35	664	176
1978 *1*	4,594	2,347	1,367		37	661	182

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[1] Adjustments to accruals of rates for the quarter, as included in taxes on expenditure and in the adjustment to factor cost in Table 1.

[2] Before providing for depreciation and stock appreciation.

[3] Figures from the second quarter of 1974 exclude water, land drainage and sewage disposal (England and Wales), health and trust ports.

Current account of local authorities

TABLE 10 *(continued)*

Expenditure

£ million

	Total	Total current expenditure	Final consumption		Subsidies	Current grants to personal sector	Debt interest	Taxes on income (payments)[1]	Balance: current surplus[2]
			Education	Other					
1973	8,153	7,380	2,670	2,884	109	273	1,444	—	773
1974	9,843	9,253	3,190	3,429	273	315	2,046	—	590
1975	14,204	12,864	4,906	4,766	445	415	2,332	—	1,340
1976	16,978	14,679	5,369	5,474	459	559	2,818	—	2,299
1977	18,016	16,156	5,818	6,032	433	743	3,130	—	1,860
Unadjusted									
1975 *1*	3,517	3,362	1,332	1,117	102	113	645	53	155
2	3,382	2,859	1,066	1,129	105	115	434	10	523
3	3,787	3,285	1,218	1,221	118	115	656	−43	502
4	3,518	3,358	1,290	1,299	120	72	597	−20	160
1976 *1*	4,521	3,754	1,285	1,287	116	160	850	56	767
2	4,096	3,530	1,371	1,347	117	164	503	28	566
3	4,060	3,711	1,314	1,423	113	143	770	−52	349
4	4,301	3,684	1,399	1,417	113	92	695	−32	617
1977 *1*	4,395	4,178	1,414	1,426	108	198	970	62	217
2	4,577	3,885	1,473	1,505	112	198	565	32	692
3	4,423	4,129	1,439	1,539	112	215	882	−58	294
4	4,621	3,964	1,492	1,562	101	132	713	−36	657
1978 *1*	4,789	4,662	1,526	1,668	121	301	991	55	127
Seasonally adjusted									
1975 *1*	2,820	3,156	1,316	1,125	102	92	521	—	−336
2	3,617	2,957	1,065	1,122	105	100	565	—	660
3	4,025	3,305	1,250	1,220	118	108	609	—	720
4	3,742	3,446	1,275	1,299	120	115	637	—	296
1976 *1*	3,852	3,494	1,271	1,298	116	122	687	—	358
2	4,321	3,633	1,367	1,338	117	134	677	—	688
3	4,290	3,738	1,349	1,419	113	147	710	—	552
4	4,515	3,814	1,382	1,419	113	156	744	—	701
1977 *1*	4,146	3,896	1,399	1,439	108	167	783	—	250
2	4,672	4,005	1,466	1,494	112	180	753	—	667
3	4,497	4,112	1,478	1,535	112	192	795	—	385
4	4,701	4,143	1,475	1,564	101	204	799	—	558
1978 *1*	4,594	4,331	1,510	1,684	121	216	800	—	263

[1] Payments to Inland Revenue *less* amounts deducted from interest paid.

[2] Before providing for depreciation and stock appreciation.

International transactions

TABLE 11

Exports and imports of goods and services revalued at 1970 prices[1]

£ million

	Exports				**Imports**			
	Unadjusted		**Seasonally adjusted**		**Unadjusted**		**Seasonally adjusted**	
	Goods	Services	Goods	Services	Goods	Services	Goods	Services
1973	9,925	4,042	9,925	4,042	10,896	3,497	10,896	3,497
1974	10,717	4,099	10,717	4,099	11,110	3,571	11,110	3,571
1975	10,244	4,113	10,244	4,113	10,301	3,388	10,301	3,388
1976	11,096	4,335	11,096	4,335	10,938	3,269	10,938	3,269
1977	12,053	4,463	12,053	4,463	11,591	3,267	11,591	3,267
1975 *1*	2,541	982	2,632	1,030	2,572	801	2,595	833
2	2,616	1,010	2,484	1,017	2,595	834	2,476	838
3	2,393	1,112	2,481	1,018	2,540	943	2,630	860
4	2,694	1,009	2,647	1,048	2,594	810	2,600	857
1976 *1*	2,717	983	2,690	1,024	2,620	752	2,582	798
2	2,833	1,040	2,766	1,041	2,777	808	2,722	807
3	2,641	1,222	2,769	1,126	2,705	901	2,823	819
4	2,905	1,090	2,871	1,144	2,836	808	2,811	845
1977 *1*	2,930	1,016	2,899	1,100	2,947	752	2,926	824
2	3,067	1,098	2,997	1,105	2,983	796	2,924	804
3	3,038	1,257	3,164	1,139	2,805	919	2,902	816
4	3,018	1,092	2,993	1,119	2,856	800	2,839	823
1978 *1*	3,025	1,052	3,056	1,128	3,129	756	3,161	824

[1] Exports and imports of goods revalued at 1975 prices have already been published by the Department of Trade.

International transactions

TABLE 11 (*continued*)

United Kingdom credits

£ million

		Exports and property income from abroad				
	Total credits	Exports of goods[1]	Exports of services	Property income from abroad	UK taxes paid by non-residents	Current transfers to personal sector
1973	23,272	12,115	5,055	5,466	341	295
1974	31,059	16,539	6,389	7,377	399	355
1975	34,349	19,462	7,434	6,605	453	395
1976	44,629	25,422	9,576	8,515	691	425
1977	52,832	32,176	11,038	8,228	919	471
Unadjusted						
1975 *1*	8,066	4,502	1,656	1,686	127	95
2	8,548	4,845	1,788	1,681	134	100
3	8,563	4,673	2,056	1,653	81	100
4	9,172	5,442	1,934	1,585	111	100
1976 *1*	9,979	5,718	2,019	1,954	183	105
2	10,930	6,322	2,272	2,077	154	105
3	11,408	6,198	2,745	2,204	156	105
4	12,312	7,184	2,540	2,280	198	110
1977 *1*	12,363	7,594	2,409	2,043	207	110
2	13,332	8,117	2,715	2,127	257	116
3	13,750	8,202	3,170	2,039	219	120
4	13,387	8,263	2,744	2,019	236	125
1978 *1*	13,446	8,345	2,685	2,031	258	127
Seasonally adjusted						
1975 *1*	8,301	4,674	1,735	1,668	129	95
2	8,275	4,601	1,812	1,633	129	100
3	8,669	4,844	1,876	1,754	95	100
4	9,104	5,343	2,011	1,550	100	100
1976 *1*	10,023	5,655	2,118	1,960	185	105
2	10,732	6,171	2,282	2,028	146	105
3	11,586	6,499	2,523	2,280	179	105
4	12,288	7,097	2,653	2,247	181	110
1977 *1*	12,509	7,502	2,613	2,074	210	110
2	13,108	7,930	2,742	2,074	246	116
3	13,833	8,540	2,850	2,081	242	120
4	13,382	8,204	2,833	1,999	221	125
1978 *1*	13,795	8,441	2,899	2,062	266	127

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[1] On a balance of payments basis.

International transactions

TABLE 11 (*continued*)

United Kingdom debits

£ million

			Imports and property income paid abroad				Current transfers		
	Total[1]	Total debits[1]	Imports of goods[2]	Imports of services	Property income paid abroad	Foreign taxes paid by UK residents	From personal sector	From central government[1]	Balance: net investment and capital transfers abroad[3]
1973	23,272	24,155	14,469	4,457	1,910	2,574	386	359	−883
1974	31,059	34,574	21,734	5,609	2,260	4,210	441	320	−3,515
1975	34,349	35,966	22,667	6,271	2,499	3,659	491	379	−1,617
1976	44,629	45,488	28,932	7,580	3,238	4,452	494	792	−859
1977	52,832	52,667	33,788	8,459	4,524	4,218	588	1,090	165
Unadjusted									
1975 *1*	8,066	8,693	5,504	1,356	658	982	106	87	−627
2	8,548	8,910	5,553	1,512	681	934	132	98	−362
3	8,563	9,143	5,655	1,805	527	959	122	75	−580
4	9,172	9,220	5,955	1,598	633	784	131	119	−48
1976 *1*	9,979	10,027	6,271	1,558	786	1,047	142	223	−48
2	10,930	11,205	7,238	1,831	782	1,076	117	161	−275
3	11,408	11,663	7,290	2,149	761	1,165	114	184	−255
4	12,312	12,593	8,133	2,042	909	1,164	121	224	−281
1977 *1*	12,363	12,886	8,489	1,874	1,000	1,081	138	304	−523
2	13,332	13,683	8,847	2,057	1,263	1,113	129	274	−351
3	13,750	13,219	8,233	2,443	1,063	1,037	147	296	531
4	13,387	12,879	8,219	2,085	1,198	987	174	216	508
1978 *1*	13,446	13,862	8,938	1,971	1,200	990	216	547	−416
Seasonally adjusted									
1975 *1*	8,301	8,832	5,586	1,480	671	942	106	47	−531
2	8,275	8,617	5,271	1,542	663	916	132	93	−342
3	8,669	9,256	5,836	1,607	568	1,038	122	85	−587
4	9,104	9,261	5,974	1,642	597	763	131	154	−157
1976 *1*	10,023	10,018	6,198	1,706	789	1,025	142	158	5
2	10,732	11,013	7,080	1,848	744	1,061	117	163	−281
3	11,586	11,890	7,596	1,918	824	1,212	114	226	−304
4	12,288	12,567	8,058	2,108	881	1,154	121	245	−279
1977 *1*	12,509	13,002	8,449	2,073	1,020	1,081	138	241	−493
2	13,108	13,473	8,694	2,080	1,203	1,095	129	272	−365
3	13,833	13,296	8,486	2,144	1,148	1,053	147	318	537
4	13,382	12,896	8,159	2,162	1,153	989	174	259	486
1978 *1*	13,795	14,100	9,015	2,170	1,232	989	216	478	−305

[1] Net of receipts from the EEC.

[2] On a balance of payments basis.

[3] Equal to the current balance in the balance of payments accounts.

Summary capital account

Receipts

TABLE 12

£ million

		Saving[1]					Capital transfers (net)				
	Total	Total	Personal sector	Companies	Public corporations	General government[2]	Personal sector	Companies	Public corporations[3]	General government[2]	Residual error
1973	17,863	17,553	6,085	8,190	1,267	2,011	−325	271	152	−157	310
1974	20,842	19,649	8,664	8,302	1,390	1,293	−324	267	215	−233	1,193
1975	22,789	22,432	11,544	8,848	1,628	412	−302	384	289	−371	357
1976	29,634	28,627	12,869	12,916	2,768	74	− 64	257	339	−532	1,007
1977	31,075	30,932	14,047	12,721	3,341	823	83	104	502	−689	143
Unadjusted											
1975 *1*	5,266	5,360	3,239	1,389	262	470	−100	114	94	−108	− 94
2	5,243	5,541	2,849	2,266	434	− 8	− 95	63	48	− 16	−298
3	5,615	5,459	3,108	2,204	116	31	− 61	107	67	−113	156
4	6,665	6,072	2,348	2,989	816	− 81	− 46	100	80	−134	593
1976 *1*	6,816	6,513	3,677	2,006	484	346	− 55	42	115	−102	303
2	6,860	7,305	3,327	3,303	707	− 32	− 42	80	64	−102	−445
3	7,621	7,144	3,831	3,263	488	−438	− 12	77	65	−130	477
4	8,337	7,665	2,034	4,344	1,089	198	45	58	95	−198	672
1977 *1*	7,715	8,119	3,875	2,598	894	752	36	15	187	−238	−404
2	7,305	8,038	3,587	3,391	825	235	2	62	102	−166	−733
3	7,989	7,356	3,582	3,197	455	122	28	20	106	−154	433
4	8,266	7,419	3,003	3,535	1,167	−286	17	7	107	−131	847
1978 *1*	7,135	7,527	4,367	2,066	819	275	60	140	172	−372	−392
Seasonally adjusted											
1975 *1*	5,469	5,115	2,800	2,071	347	−103	− 88	153	71	−136	354
2	5,449	5,317	2,624	2,057	373	263	− 90	54	62	− 26	132
3	5,608	5,696	2,978	2,157	326	235	− 64	84	78	− 98	− 88
4	6,355	6,304	3,142	2,563	582	17	− 60	93	78	−111	− 41
1976 *1*	6,915	6,317	3,264	2,568	602	−117	− 48	83	88	−123	598
2	7,164	7,024	3,070	3,118	685	151	− 28	80	86	−138	140
3	7,599	7,415	3,402	3,487	739	−213	− 14	61	75	−122	184
4	7,956	7,871	3,133	3,743	742	253	26	33	90	−149	85
1977 *1*	7,932	7,849	3,459	3,407	926	57	33	55	142	−230	83
2	7,596	7,761	3,263	3,246	793	459	21	49	138	−208	− 165
3	7,724	7,614	3,141	3,208	905	360	25	−11	122	−136	110
4	7,823	7,708	4,184	2,860	717	− 53	4	11	100	−115	115
1978 *1*	7,382	7,239	3,704	2,845	857	−167	54	181	130	−365	143

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[1] Before providing for depreciation, stock appreciation, and additions to reserves.

[2] Formerly called public authorities.

[3] Excluding financial transactions on the writing-off of debt.

Summary capital account

Payments

TABLE 12 (*continued*)

£ million

	Total	Gross capital formation[1]					Balance: net investment abroad[2]	Net acquisition of financial assets[3]			
		Total	Personal sector	Companies	Public corporations	General government[4]		Personal sector	Companies	Public corporations	General government[4]
1973	17,863	18,746	2,921	9,933	2,198	3,694	942	2,839	−1,472	− 779	−1,840
1974	20,842	24,357	3,195	13,599	3,158	4,405	3,590	5,145	−5,030	−1,553	−3,345
1975	22,789	24,406	3,666	10,862	4,864	5,014	1,617	7,576	−1,630	−2,947	−4,973
1976	29,634	30,493	4,574	14,856	5,543	5,520	859	8,231	−1,683	−2,436	−5,978
1977	31,075	30,910	5,285	15,847	4,944	4,834	−165	8,845	−3,022	−1,101	−4,700
Unadjusted											
1975 *1*	5,266	5,893	800	2,465	1,263	1,365	627	2,339	− 962	− 907	−1,003
2	5,243	5,605	946	2,479	1,074	1,106	362	1,808	− 150	− 592	−1,130
3	5,615	6,195	916	2,877	1,214	1,188	580	2,131	− 566	−1,031	−1,270
4	6,665	6,713	1,004	3,041	1,313	1,355	48	1,298	48	− 417	−1,570
1976 *1*	6,816	6,864	988	2,784	1,386	1,706	48	2,634	− 736	− 787	−1,462
2	6,860	7,135	1,129	3,419	1,374	1,213	275	2,156	− 36	− 603	−1,347
3	7,621	7,876	1,160	4,027	1,385	1,304	255	2,659	− 687	− 832	−1,872
4	8,337	8,618	1,297	4,626	1,398	1,297	281	782	− 224	− 214	−1,297
1977 *1*	7,715	8,238	1,193	4,082	1,368	1,595	523	2,718	−1,469	− 287	−1,081
2	7,305	7,656	1,397	4,154	1,129	976	351	2,192	− 701	− 202	− 907
3	7,989	7,258	1,261	3,646	1,234	1,117	−531	2,349	− 429	− 673	−1,149
4	8,266	7,758	1,434	3,965	1,213	1,146	−508	1,586	− 423	61	−1,563
1978 *1*	7,135	7,551	1,401	3,849	892	1,409	416	3,026	−1,643	99	−1,506
Seasonally adjusted											
1975 *1*	5,469	6,000	860	2,713	1,276	1,151	531	1,852	− 489	− 858	−1,390
2	5,449	5,791	874	2,604	1,052	1,261	342	1,660	− 493	− 617	−1,024
3	5,608	6,195	934	2,826	1,221	1,214	587	1,980	− 585	− 817	−1,077
4	6,335	6,420	998	2,719	1,315	1,388	157	2,084	− 99	− 655	−1,482
1976 *1*	6,915	6,910	1,056	3,000	1,424	1,430	− 5	2,160	− 349	− 734	−1,670
2	7,164	7,445	1,050	3,666	1,327	1,402	281	1,992	− 468	− 556	−1,389
3	7,599	7,903	1,181	3,974	1,398	1,350	304	2,207	− 426	− 584	−1,685
4	7,956	8,235	1,287	4,216	1,394	1,338	279	1,872	− 440	− 562	−1,234
1977 *1*	7,932	8,425	1,232	4,481	1,367	1,345	493	2,260	−1,018	− 299	−1,518
2	7,596	7,961	1,330	4,351	1,130	1,150	365	1,954	−1,057	− 199	− 899
3	7,724	7,187	1,297	3,492	1,230	1,168	−537	1,869	− 396	− 203	− 944
4	7,823	7,337	1,426	3,523	1,217	1,171	−486	2,762	− 653	− 400	−1,339
1978 *1*	7,382	7,687	1,442	4,005	1,031	1,209	305	2,316	− 979	− 44	−1,741

[1] Gross fixed capital formation *plus* the increase in book value of stocks and work in progress.

[2] Equals, apart from the change in sign, the net acquisition of financial assets by the overseas sector.

[3] This balance is equal to saving *plus* capital transfers *less* gross capital formation.

[4] Formerly called public authorities.

Consumers' expenditure

TABLE 13

£ million

			Alcoholic drink					Clothing		Durable goods					
	Total	Food (household expenditure)	Beer	Wines spirits, etc.	Tobacco	Housing	Fuel and light	Footwear	Other	Total	Cars and motor cycles	Furniture and floor coverings	Radio and electrical goods, etc.	Other goods	Other services
At current prices															
1973	45,204	8,487	1,807	1,616	1,945	6,103	1,897	634	3,257	4,167	1,805	1,100	1,262	7,007	8,284
1974	51,962	9,815	2,071	1,844	2,239	7,427	2,268	735	3,818	3,990	1,460	1,179	1,351	8,528	9,227
1975	63,303	12,057	2,679	2,176	2,748	9,334	2,916	860	4,436	4,848	1,851	1,420	1,577	10,282	10 967
1976	73,424	14,085	3,282	2,554	3,106	11,016	3,600	990	4,948	5,795	2,387	1,622	1,786	11,661	12,387
1977	83,204	16,268	3,788	2,751	3,632	12,698	4,261	1,169	5,669	6,617	2,855	1,769	1,993	12,924	13,427
Unadjusted															
1975 *1*	13,988	2,760	523	347	573	2,103	842	178	934	1,171	463	331	377	2,245	2,312
2	15,493	2,943	631	493	687	2,371	612	213	1,057	1,231	518	325	388	2,505	2,750
3	16,238	3,065	769	507	738	2,409	528	215	1,054	1,254	559	345	350	2,631	3,068
4	17,584	3,289	756	829	750	2,451	934	254	1,391	1,192	311	419	462	2,901	2,837
1976 *1*	16,657	3,313	611	414	668	2,574	1,122	190	1,008	1,424	628	382	414	2,565	2,768
2	17,690	3,387	828	545	796	2,796	699	242	1,154	1,312	599	353	360	2,804	3,127
3	18,601	3,531	961	568	820	2,813	615	250	1,185	1,456	623	393	440	2,983	3,419
4	20,476	3,854	882	1,027	822	2,833	1,164	308	1,601	1,603	537	494	572	3,309	3,073
1977 *1*	19,020	3,879	752	464	777	2,962	1,298	232	1,155	1,611	755	416	440	2,886	3,004
2	20,091	4,018	966	554	939	3,248	919	271	1,275	1,442	668	380	394	3,074	3,385
3	21,191	3,972	1,048	664	966	3,246	766	298	1,392	1,775	824	437	514	3,346	3,718
4	22,902	4,399	1,022	1,069	950	3,242	1,278	368	1,847	1,789	608	536	645	3,618	3,320
1978 *1*	21,664	4,288	885	564	897	3,377	1,480	277	1,336	2,073	1,031	478	564	3,154	3,333
Revalued at 1970 prices															
1973	36,132	6,460	1,549	1,446	1,859	4,394	1,574	497	2,617	3,589	1,515	852	1,222	5,865	6,282
1974	35.682	6,419	1,551	1,525	1,835	4,504	1,616	503	2,584	3,026	1,059	754	1,213	5,935	6,184
1975	35,269	6,424	1,609	1,451	1,748	4,577	1,596	517	2,626	2,967	1,057	766	1,144	5,756	5.998
1976	35,406	6,478	1,645	1,511	1,688	4,686	1,592	535	2,649	3,156	1,168	781	1,207	5,782	5,684
1977	35,116	6,399	1,640	1,473	1,606	4,786	1,636	551	2,712	3,117	1,159	721	1,237	5,573	5,623
Unadjusted															
1975 *1*	8,536	1,582	353	267	430	1,141	531	113	576	781	282	192	307	1,333	1,429
2	8,752	1,589	385	338	446	1,168	338	129	638	765	300	178	287	1,411	1,545
3	8,729	1,598	447	321	434	1,142	265	127	616	733	308	183	242	1,440	1,606
4	9 252	1,655	424	525	438	1,126	462	148	796	688	167	213	308	1,572	1,418
1976 *1*	8,360	1,596	327	257	386	1,156	536	107	563	796	326	193	277	1,324	1,312
2	8,633	1,603	418	322	444	1,196	312	134	629	724	300	172	252	1,403	1,448
3	8,859	1,630	476	331	434	1.177	258	134	633	792	298	189	305	1,460	1,534
4	9,554	1,649	424	601	424	1,157	486	160	824	844	244	227	373	1,595	1,390
1977 *1*	8,331	1,571	336	251	372	1,184	531	116	576	785	325	178	282	1,312	1,297
2	8,478	1,595	423	302	414	1,222	352	128	627	679	275	157	247	1,313	1,423
3	8,783	1,548	447	352	412	1,199	278	140	656	818	324	176	318	1,415	1,518
4	9,524	1,685	434	568	408	1,181	475	167	853	835	235	210	390	1,533	1,385
1978 *1*	8,641	1,611	363	291	400	1,208	554	122	612	894	374	184	336	1,291	1,295
Seasonally adjusted															
1975 *1*	8,995	1,603	403	383	458	1,141	414	135	666	790	273	196	321	1,456	1,546
2	8,901	1,598	381	376	429	1,140	408	129	667	802	274	195	333	1,449	1,522
3	8,731	1,605	409	362	426	1,143	384	128	648	727	293	189	245	1,423	1,476
4	8,642	1,618	416	330	435	1,153	390	125	645	648	217	186	245	1,428	1,454
1976 *1*	8,806	1,618	376	377	411	1,156	421	127	651	802	315	196	291	1,445	1,422
2	8,793	1,615	415	364	429	1,168	383	136	659	761	269	190	302	1,441	1,422
3	8,879	1,634	437	376	427	1,178	379	136	669	777	274	196	307	1 444	1,422
4	8,928	1,611	417	394	421	1,184	409	136	670	816	310	199	307	1,452	1,418
1977 *1*	8,758	1,594	384	373	396	1,183	411	138	668	791	313	180	298	1,429	1,391
2	8,639	1,608	423	336	401	1,193	426	129	657	719	248	174	297	1,351	1,396
3	8,829	1,553	405	396	405	1,200	403	142	693	802	298	183	321	1,399	1,431
4	8,890	1,644	428	368	404	1,210	396	142	694	805	300	184	321	1,394	1,405
1978 *1*	9,084	1,633	414	431	426	1,208	427	145	708	901	362	186	353	1,406	1,385

Gross domestic fixed capital formation by sector and by type of asset

TABLE 14

	£ million						Dwellings		
	Total	Private sector[1]	General government[1],[2]	Public corporations[1]	Vehicles, ships and aircraft	Plant and machinery	Private	Public	Other new building and works[3]
At current prices									
1973	14,075	8,354	3,660	2,061	1,639	4,817	1,628	1,020	4,971
1974	16,918	9,730	4,373	2,815	1,772	5,797	1,702	1,476	6,171
1975	20,708	11,782	4,977	3,949	1,967	6,795	2,196	1,964	7,786
1976	23,528	13,359	5,445	4,724	2,367	8,112	2,387	2,317	8,345
1977	25,102	15,701	4,751	4,650	2,939	9,339	2,398	2,209	8,217
1975 *1*	4,957	2,590	1,367	1,000	495	1,657	503	486	1,816
2	4,763	2,837	1,102	824	452	1,559	558	457	1,737
3	5,364	3,180	1,168	1,016	461	1,771	545	449	2,138
4	5,624	3,175	1,340	1,109	559	1,808	590	572	2,095
1976 *1*	5,833	2,807	1,687	1,339	553	2,002	590	646	2,042
2	5,430	3,201	1,176	1,053	572	1,815	566	519	1,958
3	5,942	3,574	1,277	1,091	589	1,993	613	553	2,194
4	6,323	3,777	1,305	1,241	653	2,302	618	599	2,151
1977 *1*	6,089	3,197	1,580	1,312	710	2,276	487	635	1,981
2	5,906	3,916	959	1,031	735	2,124	586	490	1,971
3	6,311	4,106	1,083	1,122	717	2,333	630	526	2,105
4	6,796	4,482	1,129	1,185	777	2,606	695	558	2,160
1978 *1*	6,632	4,103	1,398	1,131	882	2,459	604	607	2,080
Revalued at 1970 prices									
1973	10,233	6,106	2,571	1,556	1,283	3,840	1,045	727	3,338
1974	10,001	5,868	2,419	1,714	1,198	3,978	855	784	3,186
1975	9,640	5,603	2,172	1,865	1,051	3,699	915	798	3,177
1976	9,444	5,515	2,053	1,876	1,039	3,667	883	829	3,026
1977	9,087	5,772	1,648	1,667	1,062	3,681	810	713	2,821
Unadjusted									
1975 *1*	2,527	1,343	654	530	291	994	221	214	807
2	2,269	1,380	489	400	249	868	240	189	723
3	2,414	1,461	490	463	236	931	222	177	848
4	2,430	1,419	539	472	275	906	232	218	799
1976 *1*	2,445	1,224	664	557	255	963	226	239	762
2	2,208	1,336	446	426	255	833	212	190	718
3	2,351	1,453	474	424	258	884	224	197	788
4	2,440	1,502	469	469	271	987	221	203	758
1977 *1*	2,297	1,241	567	489	284	935	172	211	695
2	2,167	1,459	333	375	275	847	202	160	683
3	2,249	1,485	369	395	251	903	210	166	719
4	2,374	1,587	379	408	252	996	226	176	724
1978 *1*	2,252	1,394	476	382	272	911	191	190	688
Seasonally adjusted									
1975 *1*	2,433	1,397	554	482	300	944	224	196	769
2	2,392	1,393	560	439	248	932	239	206	767
3	2,459[4]	1,481[4]	503	475	248	952	227	179	853[4]
4	2,356	1,332	555	469	255	871	225	217	788
1976 *1*	2,378	1,313	557	508	256	913	230	218	761
2	2,346[4]	1,360[4]	519	467	256	904	211	207	768[4]
3	2,377[4]	1,448[4]	492	437	269	910	228	202	768[4]
4	2,343	1,394	485	464	258	940	214	202	729
1977 *1*	2,259	1,335	477	447	291	908	175	191	694
2	2,292[4]	1,490[4]	392	410	276	906	202	174	734[4]
3	2,265	1,472	385	408	259	926	214	171	695
4	2,271	1,475	394	402	236	941	219	177	698
1978 *1*	2,245	1,486	408	351	284	897	195	170	699

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[1] Including purchases *less* sales of land and existing buildings.

[2] Formerly called public authorities.

[3] Including transfer costs of land and buildings.

[4] Including extra capital formation in imported oil platforms and related equipment delivered during the quarter but not adjusted for seasonality. The extra deliveries are approximately £100 million in 3rd quarter 1975, £60 million in 2nd quarter 1976, £50 million in 3rd quarter 1976 and £75 million in 2nd quarter 1977.

Gross domestic fixed capital formation by industry group

TABLE 15

£ million

	Total	Petroleum and natural gas	Other mining and quarrying	Manufacturing[1]	Gas, electricity and water	Transport and communication	Distributive trades[1]	Other industries[2]	Dwellings	Public services	Transfer costs of land and buildings
At current prices											
1973	14,075	183	105	2,286	771	1,871	811	2,490	2,648	2,345	565
1974	16,918	600	145	3,150	951	1,957	935	2,985	3,178	2,522	495
1975	20,708	1,621	206	3,461	1,233	2,312	971	3,132	4,160	2,987	625
1976	23,528	2,183	295	3,957	1,345	2,337	1,091	3,535	4,704	3,381	700
1977	25,102	2,009	339	4,873	1,279	2,601	1,359	4,283	4,607	2,962	790
1975 *1*	4,957	302	58	846	308	590	211	758	989	764	131
2	4,763	321	39	818	262	511	230	767	1,015	642	158
3	5,364	615	52	855	315	566	246	780	994	770	171
4	5,624	383	57	942	348	645	284	827	1,162	811	165
1976 *1*	5,833	334	78	915	413	607	249	801	1,236	1,048	152
2	5,430	582	67	889	273	517	276	827	1,085	744	170
3	5,942	683	78	998	322	551	266	884	1,166	802	192
4	6,323	584	72	1,155	337	662	300	1,023	1,217	787	186
1977 *1*	6,089	272	96	1,105	381	683	309	983	1,122	977	161
2	5,906	671	66	1,112	267	620	322	995	1,076	593	184
3	6,311	565	86	1,245	323	597	356	1,070	1,156	697	216
4	6,796	501	91	1,411	308	701	372	1,235	1,253	695	229
1978 *1*	6,632	334	104	1,305	333	666	372	1,215	1,211	865	227
Revalued at 1970 prices											
1973	10,233	124	79	1,731	585	1,421	651	1,871	1,772	1,706	293
1974	10,001	299	95	1,964	587	1,261	628	1,809	1,639	1,486	233
1975	9,640	655	107	1,694	585	1,201	513	1,538	1,713	1,352	282
1976	9,444	818	128	1,633	538	1,003	517	1,503	1,712	1,306	286
1977	9,087	687	126	1,762	458	979	562	1,617	1,523	1,075	298
Unadjusted											
1975 *1*	2,527	131	33	454	163	343	122	397	435	387	62
2	2,269	132	22	410	128	271	124	382	429	299	72
3	2,414	243	26	403	145	285	126	378	399	333	76
4	2,430	149	26	427	149	302	141	381	450	333	72
1976 *1*	2,445	134	36	402	173	270	125	351	465	424	65
2	2,208	222	29	373	110	226	132	356	402	287	71
3	2,351	250	33	405	126	240	124	373	421	303	76
4	2,440	212	30	453	129	267	136	423	424	292	74
1977 *1*	2,297	97	38	419	141	275	139	381	383	361	63
2	2,167	234	25	408	97	237	132	383	362	217	72
3	2,249	191	31	446	115	220	145	395	376	250	80
4	2,374	165	32	489	105	247	146	458	402	247	83
1978 *1*	2,252	107	36	440	112	223	148	419	381	307	79
Seasonally adjusted											
1975 *1*	2,433	130	28	456	141	342	124	395	420	330	67
2	2,392	132	25	432	147	282	130	390	445	336	73
3	2,459[3]	244[3]	27	409	150	297	130	385	406	338	73
4	2,356	149	27	397	147	280	129	368	442	348	69
1976 *1*	2,378	176	30	397	153	266	127	352	448	359	70
2	2,346[3]	231[3]	33	400	126	239	136	364	418	327	72
3	2,377[3]	221[3]	35	414	131	249	129	384	430	311	73
4	2,343	190	30	422	128	249	125	403	416	309	71
1977 *1*	2,259	134	31	418	126	278	138	390	366	310	68
2	2,292[3]	247[3]	29	433	110	249	139	391	376	245	73
3	2,265	157	33	456	118	226	150	405	385	258	77
4	2,271	149	33	455	104	226	135	431	396	262	80
1978 *1*	2,245	148	31	446	100	228	150	431	365	260	86

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[1] Further details are given in the *Monthly Digest of Statistics*.

[2] Covers agriculture, forestry, fishing, construction and other service industries.

[3] Including extra capital formation in imported oil platforms and related equipment delivered during the quarter but not adjusted for seasonality. The extra deliveries are approximately £100 million in 3rd quarter 1975, £60 million in 2nd quarter 1976, £50 million in 3rd quarter and £75 million in 2nd quarter 1977.

Value of physical increase in stocks and work in progress

TABLE 16

£ million

	At current prices					Revalued at 1970 prices									
						Unadjusted					Seasonally adjusted				
			Distributive trades					Distributive trades					Distributive trades		
	Total	Manufacturing[1]	Retail	Wholesale	Other industries	Total	Manufacturing	Retail	Wholesale	Other industries	Total	Manufacturing[1]	Retail	Wholesale	Other industries
Book value of stocks and work in progress at end-December 1976	42,882	26,343	3,799	4,502	8,238	1,840	10,529	1,929	1,830	4,113	1,840	10,529	1,929	1,830	4,113
1973	1,460[2]	698	246	126	390	1,365	597	379	102	287	1,365	597	379	102	287
1974	1,053	1,050	−147	189	−39	561	634	−109	81	−45	561	634	−109	81	−45
1975	−1,644	−900	−92	−278	−374	−842	−429	−65	−111	−237	−842	−429	−65	−111	−237
1976	302	111	26	54	111	97	5	9	23	60	97	5	9	23	60
1977	1,213	496	31	304	382	444	233	17	108	86	444	233	17	108	86
1975 *1*	−767	−184	−137	−160	−286	−324	−23	−88	−66	−147	−197	−31	−44	−22	−100
2	−424	−199	−108	−124	7	−239	−110	−66	−58	−5	−241	−74	−61	−51	−55
3	−313	−497	52	34	98	−177	−251	31	11	32	−224	−209	16	−26	−5
4	−140	−20	101	−28	−193	−102	−45	58	2	−117	−180	−115	24	−12	−77
1976 *1*	−429	−73	−28	−56	−272	−136	2	−16	−17	−105	−1	—	33	26	−60
2	29	−205	−91	−59	383	−22	−104	−50	−29	161	−12	−66	−45	−20	119
3	220	3	66	118	33	59	−39	35	48	15	5	−2	16	14	−23
4	483	386	79	51	−33	196	146	40	21	−11	105	73	5	3	24
1977 *1*	201	270	99	4	−172	112	121	48	6	−63	234	125	102	51	−44
2	540	254	−19	111	194	198	127	−9	30	50	229	164	−5	39	31
3	158	−166	−51	127	248	24	−64	−23	41	70	−30	−31	−44	5	40
4	314	138	2	62	112	110	49	1	31	29	+11	−25	−36	13	59
1978 *1*	144	159	51	−16	−50	125	121	22	9	−27	249	125	61	53	10

[1] Further details are given in the *Monthly Digest of Statistics*

[2] The second quarter of 1973 includes a fall in the book value of stocks of £280 million reflecting tax rebated on the introduction of VAT. The rebate has been allocated at current prices as follows:

	£ million		£ million
Manufacturers	34	Retailers	181
Wholesalers	36	Other Industries	29

This allocation is to some extent arbitrary, and therefore should be regarded as approximate.

New price indices for construction output statistics

A. D. BUTLER, Department of the Environment

This article describes the new price indices which were recently introduced for estimating the volume of the construction industry's output and of capital expenditure on new buildings and works. The consequent revisions to these series also affect the index of industrial production and the national accounts.

The Department of the Environment (DOE) collects statistics of new work and repair and maintenance, at current prices, from construction firms and, to cover work done by direct labour, from public authorities. Price indices are compiled for use as deflators to convert the current price information into constant price series in order to monitor the volume of work. In this article, the reasons for replacing the previous deflators are set out, the new deflators are described, and some of the effects of the changes are presented. The section dealing with the effects on capital expenditure and the other aggregate economic series was contributed by the Central Statistical Office in consultation with the Department of Industry.

Background

The DOE collects information about construction output from building and civil engineering firms in quarterly sample enquiries, and also information about construction work carried out by public authorities. Firms are asked to estimate the amount chargeable to their customers for the work done in the quarter, that is the value of their output.

Most new construction work is carried out under contract. These contracts may either specify a fixed price or (especially if completion is likely to take longer than about 12 months) may incorporate a system of adjusting a basic contract price for certain subsequent cost changes. Consequently the current price charged for construction output is either wholly or mainly determined by tender prices which have been accepted by clients in a period extending in some cases several years into the past, and the calculation of appropriate deflators to convert the aggregate output from current to constant prices must take account of this.

From 1951 until early 1978, the deflator used for new work was the cost of new construction (CNC) index*, and a broadly similar index was used for deflating repair and maintenance work. Both indices were based on the relationship of current costs of labour and materials to their costs in the base period, with adjustments for changes in 'productivity', overheads and profits. The CNC index was used for each of the five sectors into which new work is allocated —public housing, private housing, public buildings and works (other than housing), private industrial and private commercial. The repair and maintenance index was similarly used for each of the three sectors into which this work is sub-divided—housing, public non-housing and private non-housing: this index was constructed in the same way as the CNC index, but with a different proportionate mix of labour, materials and overheads and profits, and with a price index for materials used in repair and maintenance rather than in new building.

Since the mid-1960s, tender price indices have been developed for some types of new construction work and these provide a more appropriate basis for deflating output than the index based on contractors' current costs. Suitable deflators having been devised, they have now been brought into use. As tender price indices are developed for further types of construction work and as more information becomes available about the profile of output on individual projects from a new enquiry launched recently by the DOE, the deflators will be further refined.

Problems associated with the CNC index

The CNC index has certain drawbacks, including the following:

i. It measures only the average movement in construction costs for all sectors of new work, since adequate data are not available to compile CNC indices for separate types of work.

ii. It depends on the current costs to contractors of materials and labour, and these costs may be very different from those expected by contractors when submitting their tenders. This is particularly important for 'fixed price' contract work.

iii. The construction of the index implies the assumption that the ratio of materials consumption to construction output does not change, whereas changes in building techniques do lead to changes.

iv. In calculating the 'productivity' measure (materials used per man per quarter), a very approximate estimate of the current value of materials must be used: estimates of total labour costs and of other overheads and profits, both of which are subject to wide margins of error, are subtracted from gross output.

v. Since information about fluctuations in profit margins is very limited, especially in the short term, changes in the index are in practice dominated by movements in contractors' own costs, which in effect serve as a proxy for the prices they receive.

When both costs and prices were rising fairly steadily and relatively slowly, the CNC index provided a reasonable means of deflating current price output despite these drawbacks. However, in the 1970's the rate of inflation has been faster and has changed more violently than before, so that contractors could not estimate as accurately as in the past the cost changes which they would experience in the course of a contract and, consequently, the movements of prices paid for output and of costs have diverged. The effect must be to lead to fluctuations in profit. In theory, the CNC index could be adjusted accordingly, but it is not possible to obtain timely adequate data. A further problem in the early 1970s was the sharp increase in pressure of demand for construction work which led to sharp increases in tender prices but with variations between different types of construction.

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* A description of the formulation of the CNC index is set out in *Housing and Construction Statistics, Notes and definitions supplement*, 1977 (HMSO).

Tender price indices

Indices to measure movements in tender prices have been constructed by two methods. The first method is commonly known as the 'basket of goods' approach and is used in the price index of local authority housebuilding (PILAH)† for England and Wales, compiled by DOE. Local authorities report contractors' prices for 23 representative items taken from bills of quantities for successful tenders, the averages for the items are compared with a base year average, and the resulting indices are weighted together to produce the overall index.

The second method is the 're-pricing' approach which is also based on analysing bills of quantities for successful tenders. However, the items extracted are the major items for the particular project involved: for each project the items are re-priced using average prices operating in a base period and an index is calculated. An overall index is derived from the index values for all the projects. The re-pricing method is used in the Property Service Agency's Directorate of Quantity Surveying Services (DQSS) index†, the Department of Transport's road construction price index (RCPI), the output price index (OPI) for housebuilding compiled by the Scottish Development Department, and the Building Cost Information Service (BCIS) indices which cover both housing and other building for private and public sectors.

Movements from 1970 of the PILAH and DQSS tender price indices are compared in Chart 1 with movements of the cost indices for materials and labour. This shows clearly that during 1972, and to a lesser extent 1973, tender prices rose much more sharply than input costs; this divergence was the result of rapidly rising demand for construction, especially housing, in 1971 and 1972. Contractors were able to substantially increase the profit margin included in their quotations for contracts. When demand fell sharply in late 1973 and 1974, competition forced contractors to stabilise their tender prices by reducing their profit margins, in order to get work. Tender price indices came back into line with the input cost indices towards the end of 1975. As a result of the continuing depression in the industry, a further pruning of margins led to tender price indices falling below input cost indices in 1976 and 1977.

Not all sectors of the construction industry experienced the same movement in tender levels. The RCPI shows that the increase in tender prices for road contracts was much more in line with the rise in costs from 1970 to 1973, rose more than costs in 1974, but was back in line in 1975. However, in contrast to building tender prices, this index fell in 1976 when orders for new roads were scarce, illustrating again that there have been differences in tender price movements between the different sectors (see Table 1).

Output price indices

The DOE produces monthly statistics of the value of new orders at current prices, from returns made by contractors, and these are deflated to provide estimates of the volume of orders at constant 1970 prices. The deflator used for the series up to 1969 is the CNC index, but for the series from 1970 onwards tender price indices have been used.

The contractors' returns allocate new orders between 24 types of new construction work‡ which build up to the five broader sectors listed earlier. The finer breakdown of work in the contractors' returns makes it possible to take account of varying movements in tender prices within the three non-housing sectors, as well as between housing and other construction. Implied deflators for a broad sector can be obtained by dividing the current price orders by the constant price series built up from the deflated components. Orders, of course, lead to construction output spread over a period of time, and from estimates of the typical profile of work it is possible to produce 'outturn tender price indices' from the tender price indices. The theoretical basis of these outturn indices – to be called 'output price indices' – is described briefly below and in more detail in Appendix 1.

i. Output in any quarter comprises work done on contracts which were let during or prior to the quarter. Hence by using information on the value of contracts placed in each preceding quarter, on their expected duration and on the time profile of output, the contribution to the current quarter's output made by orders placed in each preceding quarter can be estimated.

ii. Information on orders is available both at tender prices and (as a result of deflation by tender price indices, as described above) at constant 1970 prices. The relationship between tender prices and current output prices differs for 'fixed price' and 'variation of price' contracts: for the former current prices are determined solely by the accepted tender prices, but for the latter current prices are made up of the tender prices *plus* reimbursement for subsequent cost movements applied to a given proportion of the original contract value. The contribution of this reimbursement to the value of output at current prices on contracts placed in each preceding quarter is estimated using the movements of separate cost indices for materials and labour, and estimates of the proportions of the original contract values which are adjustable for changes in costs.

iii. Adding together the appropriate contributions from orders placed in all preceding quarters gives their total contribution to output in the current quarter. This is done separately at current prices (including 'variation of price' reimbursement) and at constant 1970 prices. Dividing the estimate at current prices by the estimate at constant 1970 prices gives the output price index for the current quarter.

iv. In practice, orders are sub-divided into three groups according to expected duration (short, medium or long), and the contribution of each to output in the current quarter is calculated separately using different time-profiles and different estimates of the percentage of fixed price contracts in each group.

The output price indices are compared with the CNC index in Table 2 and Chart 2, and it can be seen that there are considerable differences in the movements of the output indices for the various sectors, as well as between these indices and the CNC index. The output price indices move ahead of the CNC index to the end of 1972, and when the sharp increases in tender prices work through in the private sector (where contracts are relatively shorter than in the public sector) the output indices for these sectors accelerate the departure from the CNC. The public sector output indices are in line with the CNC index until 1974, when they, too, rise faster than CNC index. However, by mid-1977 the overall increases since 1970 in four out of the five output indices were much the same as the increase in the CNC. The exception was the output price index for public buildings and works (other than housing), which rose less because civil engineering tender prices moved up more slowly than building tender prices, and this sector includes a substantial proportion of civil engineering work.

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† For descriptions of PILAH and the DQSS index, see *Housing and Construction Statistics, Notes and definitions supplement*, 1977 (HMSO).

‡ Descriptions of the types of work are given in *Housing and Construction Statistics, Notes and definitions supplement*, 1977 (HMSO).

The relationship between the indices of tender prices and of output prices is illustrated in Chart 3, which takes the public buildings and works sector as an example. The lag between changes in the trends of tender prices and of output prices can be seen, as can the smoothing of these changes because output is derived from work on orders placed in many previous quarters. When comparing the published series of orders and of output in volume terms, obtained by using these indices, it is important to remember that the tender price index measures the current level of tender prices compared with average tender prices in 1970, whereas the output price index compares current output prices with average output prices in 1970 which depended mainly on earlier tender prices. Consequently the output series appears too low when compared with the orders series. The chart shows a modified output price index which relates current output prices directly to average 1970 tender prices: deflating output by this index will produce a volume series which is directly comparable with the volume of orders. The difference between indices on the two bases varies from 2 per cent in the private industrial sector, which has the shortest average lag between order and output, to 8 per cent for public buildings and works which have the longest lag.

The output price indices described above are now being used as deflators for new work by contractors and for capital expenditure on construction work. Thus for contractors' output of new construction work, five output price indices have replaced the single CNC index so that each of the main types of new work can be separately deflated.

Indices of the CNC type are still being used to deflate all construction output except contractors' new work, that is new work by public authorities' direct labour and all repair and maintenance work. For new work by direct labour, which forms only a very small part of total direct labour output, it has been assumed that materials and labour costs form a fairly stable proportion of output, and the indices used for housing and for other work rely on the movements of these costs only.

The indices previously used to deflate repair and maintenance work (by both contractors and direct labour) made arbitrary adjustments both for movements of productivity and for changes in the proportion of the value of work which is accounted for by overheads and profits. Data from the censuses of production for 1968, 1974 and 1975 suggest that overheads and profits as a proportion of constant price output for repair and maintenance work were much the same at the beginning and the end of this period, allowing for the slight incompatibilities between the censuses. (The estimation process itself makes assumptions since the proportion of overheads and profits attributable to repair and maintenance is not reported separately from overheads and profits generally.) Therefore, it appears reasonable to assume a constant proportion, and it is then possible to exclude this element from the formulation of the index. After reviewing other criticisms of the CNC index method, a measure of gross output per head has been adopted as the best way of adjusting the labour cost index for variations in productivity from quarter to quarter. Different ratios of materials to labour are used for each of the three types of repair and maintenance work, so that there are three deflators for contractors' work and two with different weights for direct labour.

A revised series of construction output

The revised output series, first published by the DOE in a press notice on 8 March 1978, are given in Table 3 and are compared with the previous constant price output series for the years 1970 to 1977 in Table 4 and Charts 4, 5 and 6.

The overall effect of the revisions for new work has been to accentuate the peak in 1973, with lower output of new work in 1971 and 1972 and a sharper fall during 1974. In both series the quarterly path levelled out during 1975, but the old series suggested sharper falls during 1976 and early 1977 than the new series does.

The revised volume series for repair and maintenance work in total (see Chart 4) diverges from the previous series in early 1971, and is substantially higher in 1972, 1973 and 1974, but from 1975 onwards the differences are slight and the revised series is sometimes higher and sometimes lower than the old one.

The effects of the revisions to all the price deflators are to slightly reduce the volume of construction output in 1971 and 1972, to raise it in 1973 because of the marked increase in the repair and maintenance series, and to steepen the fall in the quarterly series from the peak in early 1973 to the end of 1974: since then the fall in output has been less than was suggested by the old series. During 1977 the levels of the two series are very similar.

In the past, attempts have been made to construct models which relate the orders obtained by the construction industry to the ensuing output. A number of research projects have been unable to establish good relationships between these series, especially during the early 1970's. Initial re-calibration of the models using the new series indicates an improved fit between contractors' orders and output for new work.

Revision of fixed capital formation and index of production series

The CNC index was also used (with a lag of one quarter) to deflate the estimates of *expenditure* on dwellings and other building work for all parts of the economy. The new output price indices (also lagged) have now replaced the CNC index for this purpose. In consequence the constant price estimates of capital expenditure on dwellings and other building work have been revised back to 1970. The revised series were published in the April 1978 issue of *Economic Trends*.

Expenditure on dwellings and new buildings is an important part of total gross domestic fixed capital formation

(GDFCF). Its contribution to the total for all assets varies between sectors and from industry to industry. The extent of the revisions to the estimates of total GDFCF by industry and sector arising from use of the new price indices depends upon these contributions. Whilst the revisions to the *levels* of expenditure for 1977 were slight, those for some earlier years were more considerable. The largest changes to annual figures were reductions of about 6 per cent and 10 per cent respectively in capital expenditure on dwellings and on other buildings in 1975. Also the year-to-year *changes* in these series were in some cases noticeably revised. These movements are summarised in Table 5.

Revisions to the constant price estimates of construction output and GDFCF have consequential effects on a number of aggregate economic indicators – though obviously to a diminishing extent as aggregation proceeds to the measures of gross domestic product (GDP). Construction output is a component of the index of production, and hence of the output measure of GDP. GDFCF is part of the expenditure measure of GDP. The value of the physical change in stocks and work in progress in the construction industry, part of which is also now deflated to constant prices using the new indices, is a smaller component of the expenditure measure of GDP. The effects of using the new deflators upon recent annual levels of most of these aggregate indicators (and on total GDFCF in the private and public sectors) were summarised at the end of the article on 'National income and expenditure in the fourth quarter of 1977' in the April 1978 issue of *Economic Trends*. The maximum effect on any annual estimate of GDP is a reduction in the expenditure measure for 1975 by 1 per cent.

APPENDIX 1

Calculation of construction output price indices

Theory

Output in a quarter is made up of work done on contracts let during or before that quarter. The theory set out below indicates how the deflator for contractors' current price output can be constructed from the value and volume of orders placed in previous quarters once adjustments have been made to tender prices for changes in materials and labour costs for which reimbursement is allowed under 'variation of price' clauses.

Let the quarter for which the output is considered be T, and let t be any calendar quarter before that quarter.

Let the value at current prices of orders placed in quarter t be X_t.

Let the proportion of orders containing 'variation of price' clauses be ρ_t and, of these contracts, let the proportions adjustable for changes in costs be M_t for materials and L_t for labour. The proportion of fixed price orders is then $(1 - \rho_t)$.

The value of output at current prices in quarter T, Y_T, is made up of F_T from fixed price contracts and V_T from contracts adjustable for cost changes. Then

$$F_T = \sum_{t=-\infty}^{T} \alpha_{tT} X_t (1 - \rho_t)$$

where α_{tT} is the proportion of work done on contracts placed in quarter t being performed in quarter T.

If the indices of materials costs and labour costs are I_t^M and I_t^L respectively, then

$$V_T = \sum_{t=-\infty}^{T} \alpha_{tT}\ X_t\ \rho_t \left[1 + M_t \frac{(I_T^M - I_t^M)}{I_t^M} + L_t \frac{(I_T^L - I_t^L)}{I_t^L} \right]$$

Thus total current price output $Y_T = F_T + V_T$

$$= \sum_{t=-\infty}^{T} \alpha_{tT} X_t \left[1 + \rho_t \left\{ M_t \frac{(I_T^M - I_t^M)}{I_t^M} + L_t \frac{(I_T^L - I_t^L)}{I_t^L} \right\} \right]$$

If the appropriate tender price index is A_t, the volume Z_t of orders in quarter t is $\frac{X_t}{A_t}$. Thus the volume of output in quarter T, H_T, is given by

$$H_T = \sum_{t=-\infty}^{T} \alpha_{tT} Z_t = \sum_{t=-\infty}^{T} \alpha_{tT} \frac{X_t}{A_t}$$

Hence the appropriate deflator for output in a quarter T is given by

$$D_T = \frac{Y_T}{H_T}$$

This is the new output price index, also called an 'outturn tender price index'.

The above methodology is enhanced by treating separately 'short' contracts, 'medium' contracts and 'long' contracts, defined in terms of anticipated duration. This is calculated from analyses of the expected completion dates given by contractors at tender stage *plus* an estimate for overrun.

Data required

New orders

Figures for new orders for new work, X_t, by 24 types of work are collected monthly from about 8,500 construction firms. All large main contractors are included, together with a sample of smaller firms. The series relates to contracts for new building and civil engineering work by clients in both public and private sectors; extensions to existing contracts, construction work in package deals and the total value of serial (or run-on) contracts are included. Site value and architects' and other consultants' fees are specifically asked to be excluded. The value of work undertaken on the initiative of the respondent, for example on houses or offices for eventual sale or lease where no contract or order has officially been placed, is included when foundation work has started.

Deflation of new orders

Each of the 24 types of work is deflated using the most appropriate tender price index. In some cases the orders for a type of work are divided to take account of known regional variations. In all some six basic tender price indices are used. The implied deflator A_t used in the production of the output price indices is obtained for five types of work by dividing current price orders by the derived constant price series.

Proportion of orders including 'variation of price' clauses

The proportion ρ_t of orders which contain 'variation of price' clauses is at present assumed to be the same as observed in the production of the tender price indices upon which the deflators are based. An additional question is now being asked in the redesigned new orders inquiry in December and June to ascertain the division of orders between those which are at fixed prices and those which have variation of price clauses. Analyses of the answers to this question will be used to obtain separate values of ρ_t for short, medium and long contracts.

Expected duration of contracts

Analyses are produced for the first quarter of each year giving the expected 'duration of contract' in six month bands against the value of contract. The proportions of projects within defined duration bands are calculated for the five types of work, and separate output price indices are produced for short contracts, medium contracts, and long contracts.

Profiles of work done

In 1968, a number of contracts let since 1964 with durations of up to four years were analysed and profiles of the proportions of work done quarter by quarter, α_{tr}, were produced. It has been assumed that the profiles for contracts of any given expected duration are stable over time. This information is being updated, however, using data from the new project-based inquiry for construction output in which output is collected relating to specific contracts.

APPENDIX 2

Tender price indices

TABLE 1

1970 = 100

		DQSS[1] index	PILAH[2]	RCPI[3]			DQSS[1] index	PILAH[2]	RCPI[3]
1970	*1*	94	98	97	1974	*1*	228	214	165
	2	98	98	99		*2*	234	213	182
	3	103	100	101		*3*	230	221	197
	4	105	104	103		*4*	222	223	211
1971	*1*	109	108	106	1975	*1*	226	233	217
	2	112	112	107		*2*	231	233	216
	3	116	114	108		*3*	229	239	211
	4	121	119	108		*4*	226	249	202
1972	*1*	128	124	110	1976	*1*	233	246	203
	2	133	132	110		*2*	238	253	197
	3	144	138	113		*3*	249	256	196
	4	149	152	114		*4*	245	259	201
1973	*1*	164	163	123	1977	*1*	252	273	220
	2	183	180	129		*2*	270	276	227[4]
	3	214	198	138		*3*	272	288	236[4]
	4	228	213	158		*4*	289[4]	293	

[1] Directorate of Quantity Surveying Services

[2] Price index of local authority housebuilding

[3] Road construction price index

[4] Provisional

Construction output price indices and the CNC index

TABLE 2

		1970 = 100					
			Output price indices				
		Cost of new construction (CNC) index	Public housing	Private housing	Public buildings and works (other than housing)	Private industrial	Private commercial
1970	*1*	96·9	97·2	97·4	97·3	97·7	97·7
	2	99·5	99·2	98·7	99·0	99·0	99·2
	3	101·0	101·0	100·9	100·7	100·7	100·7
	4	102·6	102·7	103·1	103·0	102·6	102·4
1971	*1*	103·0	104·6	105·3	105·9	105·0	104·7
	2	105·3	107·2	108·1	109·4	108·0	107·8
	3	108·6	109·7	111·6	112·8	111·4	111·3
	4	110·7	112·2	115·3	115·9	114·8	114·5
1972	*1*	111·7	114·9	119·3	118·7	118·9	118·0
	2	114·7	118·7	124·1	122·0	124·2	122·4
	3	118·8	122·5	130·1	125·2	130·3	127·5
	4	132·0	128·2	137·5	130·0	137·9	135·0
1973	*1*	134·7	133·1	147·1	134·2	145·6	142·1
	2	141·0	140·2	159·2	140·1	155·9	150·1
	3	150·9	150·1	170·4	148·0	169·5	162·5
	4	160·6	162·3	181·0	157·4	187·1	177·2
1974	*1*	170·1	176·8	191·8	167·9	207·2	194·8
	2	179·9	193·6	201·0	180·2	226·3	214·7
	3	189·8	208·9	209·4	192·6	238·7	230·0
	4	199·8	223·7	218·4	206·2	248·0	242·4
1975	*1*	210·3	237·3	228·9	222·3	254·6	253·4
	2	219·9	249·2	240·8	238·5	260·3	263·7
	3	227·6	258·5	249·9	252·2	266·5	271·3
	4	235·7	264·5	256·5	261·8	271·4	275·1
1976	*1*	238·0	268·6	262·4	267·3	273·7	276·9
	2	246·3	275·7	268·9	272·9	278·6	281·3
	3	263·8	289·5	274·5	278·9	286·1	289·0
	4	280·8	295·8	279·3	278·9	289·1	294·2
1977	*1*	290·0	301·1	285·2	279·8	290·8	296·2
	2	297·9	309·7	294·6	283·5	294·5	299·9
	3	304·1	312·3	302·6	283·2	302·4	307·3
	4	313·5	313·0	310·1	285·6	314·4	317·1

Construction output (Great Britain): new constant price series

TABLE 3

£ million, 1970 prices

Seasonally adjusted

		Total all work	Total new work	New housing			Other new work				Repair and maintenance			
				Total	Public	Private	Total	Public	Private industrial	Private commercial	Total	Housing	Other public	Other private
1970		5,517	3,967	1,426	689	737	2,541	1,357	620	564	1,550	685	594	271
1971		5,611	4,023	1,488	635	853	2,535	1,313	600	622	1,588	712	621	255
1972		5,725	3,974	1,530	577	952	2,444	1,293	541	610	1,752	826	665	261
1973		5,987	4,119	1,611	593	1,018	2,508	1,345	514	649	1,868	943	653	271
1974		5,215	3,471	1,282	563	718	2,189	1,156	466	567	1,744	880	582	282
1975		4,760	3,192	1,223	591	632	1,969	1,038	446	485	1,568	758	578	232
1976		4,667	3,167	1,303	643	660	1,864	1,006	429	429	1,500	711	561	228
1977		4,598	3,087	1,166	562	604	1,921	978	510	434	1,511	718	547	246
1970	*1*	1,341	957	355	176	179	602	313	153	136	385	171	147	67
	2	1,379	1,000	358	176	182	642	348	152	142	379	167	145	68
	3	1,416	1,022	357	173	185	664	366	155	144	394	173	152	69
	4	1,381	989	356	165	191	633	330	161	142	392	174	150	67
1971	*1*	1,385	1,000	358	160	198	641	336	156	149	385	171	150	64
	2	1,406	1,010	372	161	211	638	328	153	157	397	178	154	64
	3	1,394	997	374	156	218	623	320	146	158	398	178	157	62
	4	1,426	1,017	384	158	226	634	330	145	159	409	185	159	65
1972	*1*	1,441	1,006	387	151	236	619	322	142	155	435	203	164	68
	2	1,451	1,006	383	151	232	623	326	139	157	445	209	167	70
	3	1,419	961	372	135	237	589	317	129	143	459	218	174	67
	4	1,414	1,001	388	141	247	613	328	130	155	413	197	160	56
1973	*1*	1,554	1,066	411	150	261	655	352	140	162	489	239	175	75
	2	1,488	1,035	407	149	259	627	340	124	164	453	227	165	61
	3	1,485	1,030	408	151	257	622	330	127	165	455	234	157	64
	4	1,461	990	385	145	241	604	323	123	159	471	244	157	71
1974	*1*	1,376	928	350	143	207	578	309	113	156	448	227	154	67
	2	1,341	889	322	142	180	566	303	117	146	452	231	145	76
	3	1,300	854	309	139	170	545	286	124	134	446	225	144	77
	4	1,198	800	300	140	160	500	258	112	130	398	198	140	61
1975	*1*	1,204	796	294	140	154	502	259	117	126	408	200	144	64
	2	1,193	798	305	143	162	494	256	115	123	395	191	148	57
	3	1,179	801	309	152	157	492	262	109	122	378	182	140	55
	4	1,184	796	315	156	159	482	261	106	115	388	185	146	56
1976	*1*	1,186	805	334	165	169	471	258	104	109	382	183	140	59
	2	1,165	790	329	164	165	461	249	106	106	375	177	141	57
	3	1,128	773	312	155	156	461	251	105	106	355	165	138	52
	4	1,188	800	328	159	170	472	248	115	109	388	187	142	60
1977	*1*	1,113	751	281	139	142	470	245	121	104	362	169	139	55
	2	1,130	761	286	137	148	475	241	122	112	369	173	137	59
	3	1,166	775	297	143	154	477	239	134	104	392	185	139	67
	4[1]	1,189	801	302	142	160	499	252	133	114	388	191	132	65

---

[1] Provisional

Construction output (Great Britain): comparison of new and old constant price series

TABLE 4

	£ million, 1970 prices					
	Total all work		Total new work		Total repairs and maintenance	
	New series	Old series	New series	Old series	New series	Old series
1970	5,517	5,517	3,967	3,967	1,550	1,550
1971	5,611	5,678	4,023	4,116	1,588	1,562
1972	5,725	5,792	3,974	4,123	1,752	1,669
1973	5,987	5,920	4,119	4,215	1,868	1,705
1974	5,215	5,429	3,471	3,777	1,744	1,652
1975	4,760	5,113	3,192	3,554	1,568	1,559
1976	4,667	4,900	3,167	3,398	1,500	1,502
1977[1]	4,598	4,582	3,087	3,050	1,511	1,532

[1] Provisional

Gross domestic fixed capital formation at 1970 prices: comparison of movements in revised and previous series

TABLE 5

	Percentage change on year earlier							
			All assets					
	Dwellings		Manufacturing industry		Distributive and service industries		All industries	
	Revised series	Previous series	Revised series	Previous series	Revised series	Previous series	Revised series	Previous series
1971	+ 6	+ 7	− 7	− 7	+ 7	+ 7	+2	+2
1972	+ 5	+ 6	−13	−13	+ 6	+ 7	—	+1
1973	− 4	− 5	+ 1	+ 1	+17	+17	+6	+5
1974	− 8	− 3	+14	+16	− 3	—	−2	—
1975	+ 5	+ 7	−14	−14	−16	−16	−4	−2
1976	—	− 1	− 4	− 5	− 1	− 3	−2	−3
1977	−11	−17	+ 8	+ 6	+ 9	+ 5	−4	−8

APPENDIX 3

CHART 1

Indices of construction input costs and tender prices

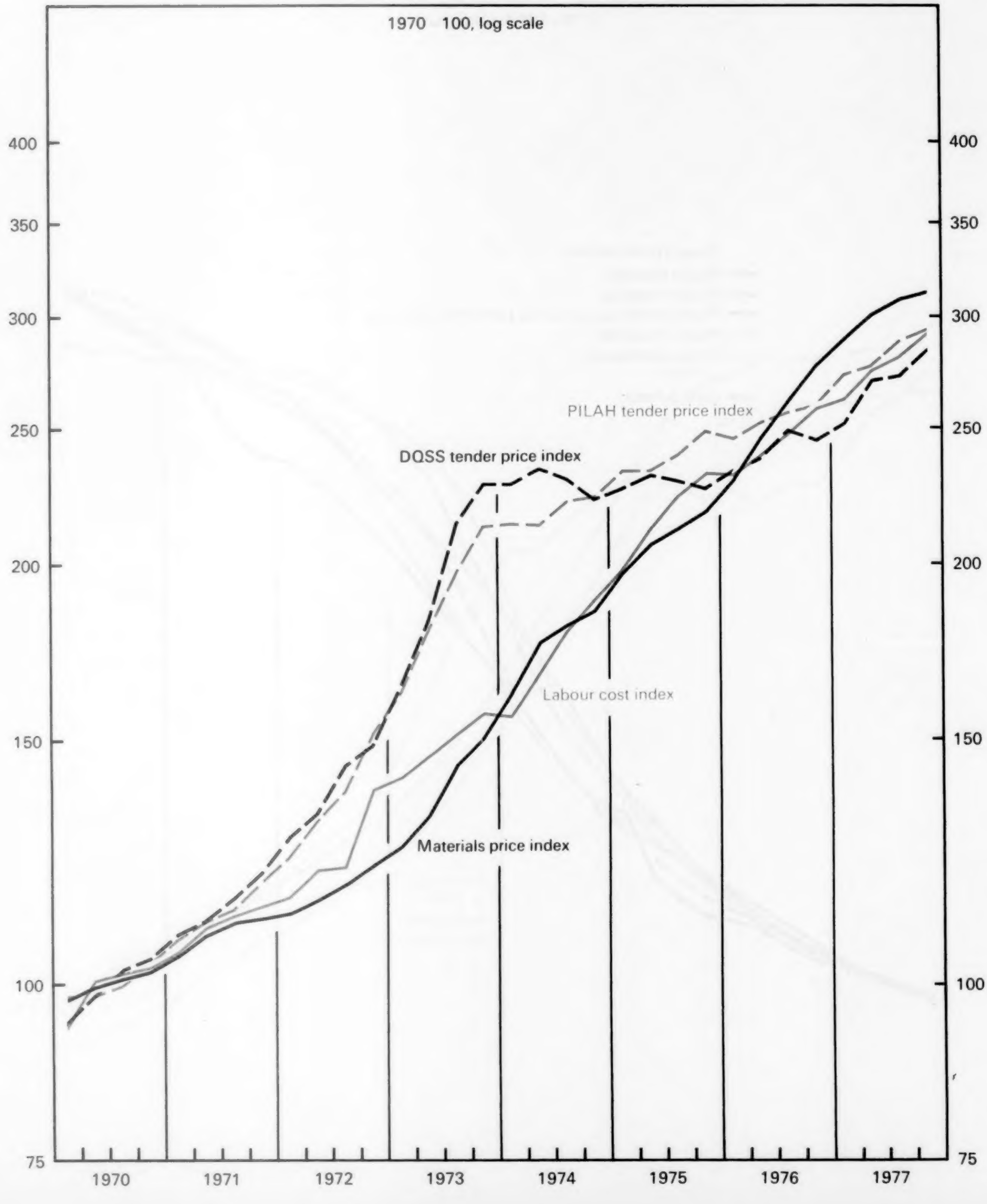


CHART 2 **Construction output price indices**

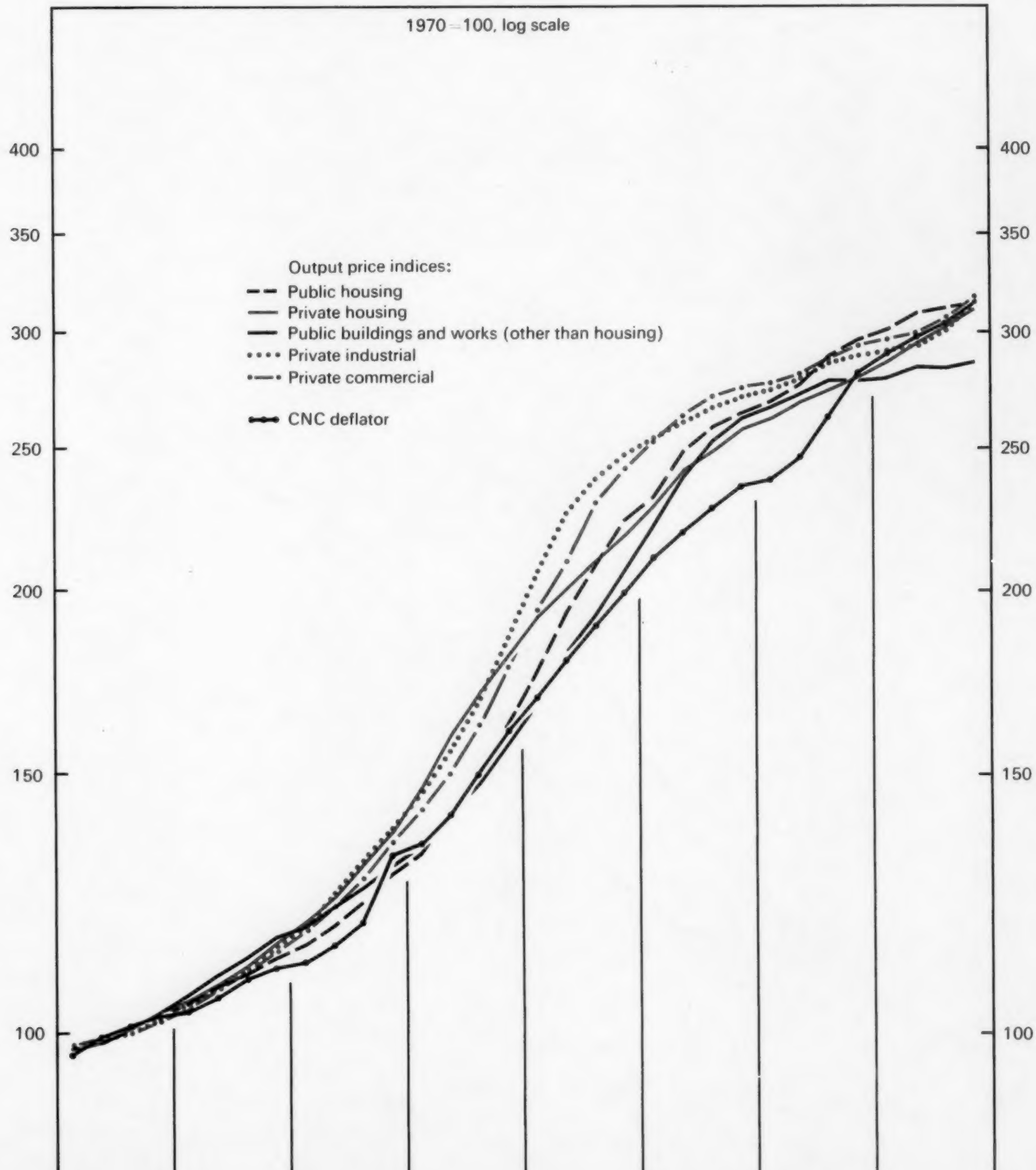


CHART 3

Public buildings and works (other than housing)

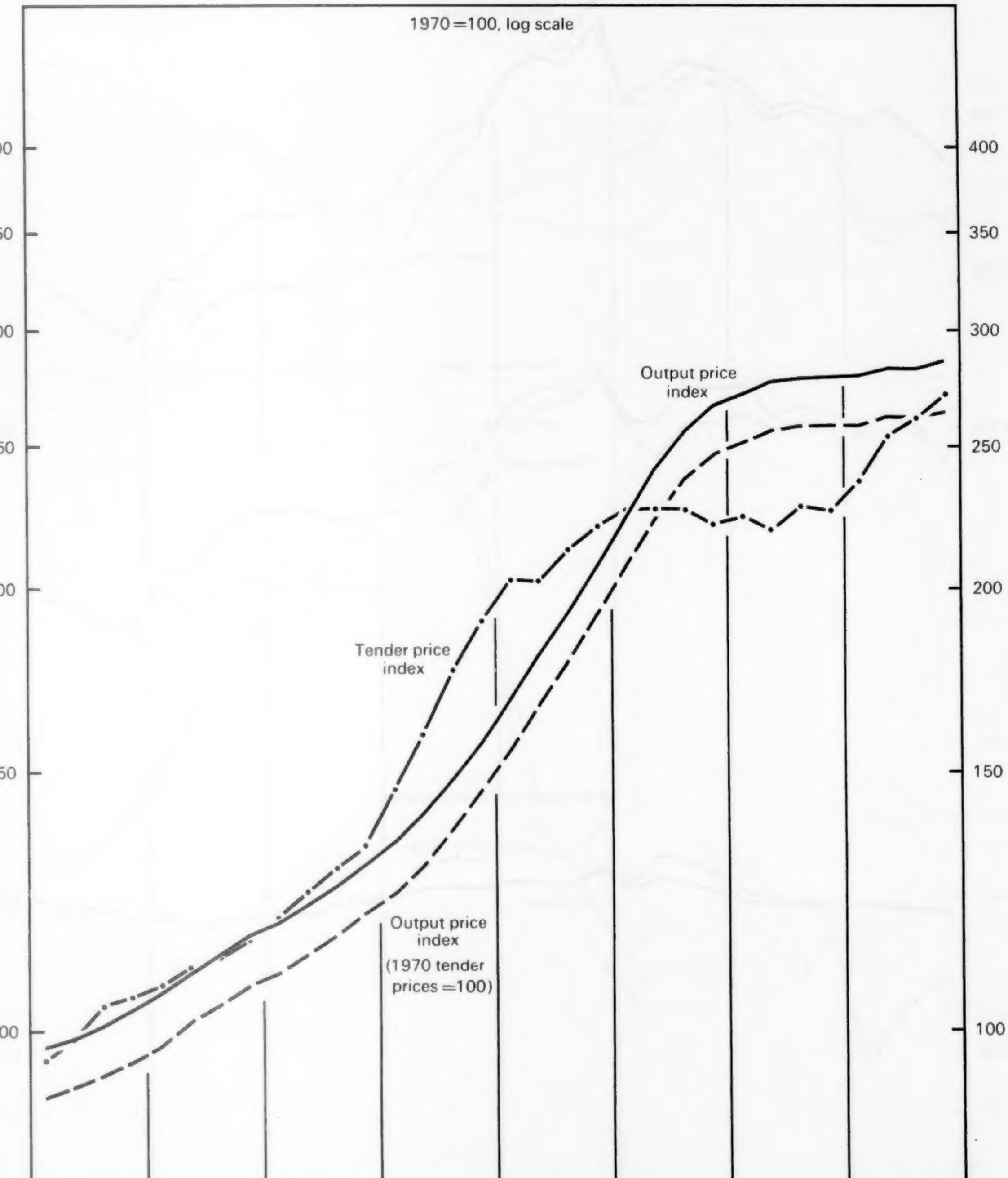


CHART 4

Construction output by all agencies

Constant 1970 prices seasonally adjusted

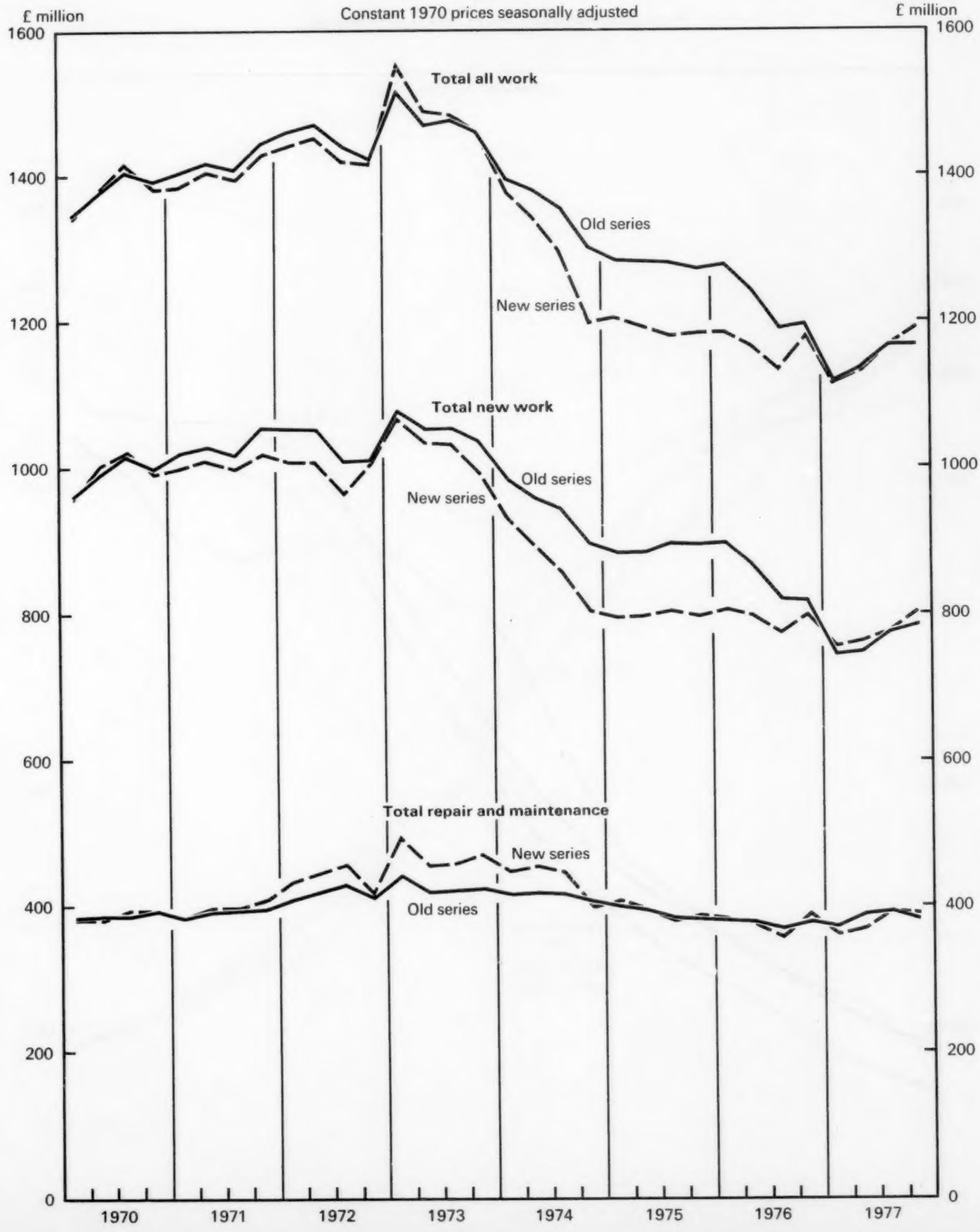


CHART 5

Construction output by all agencies

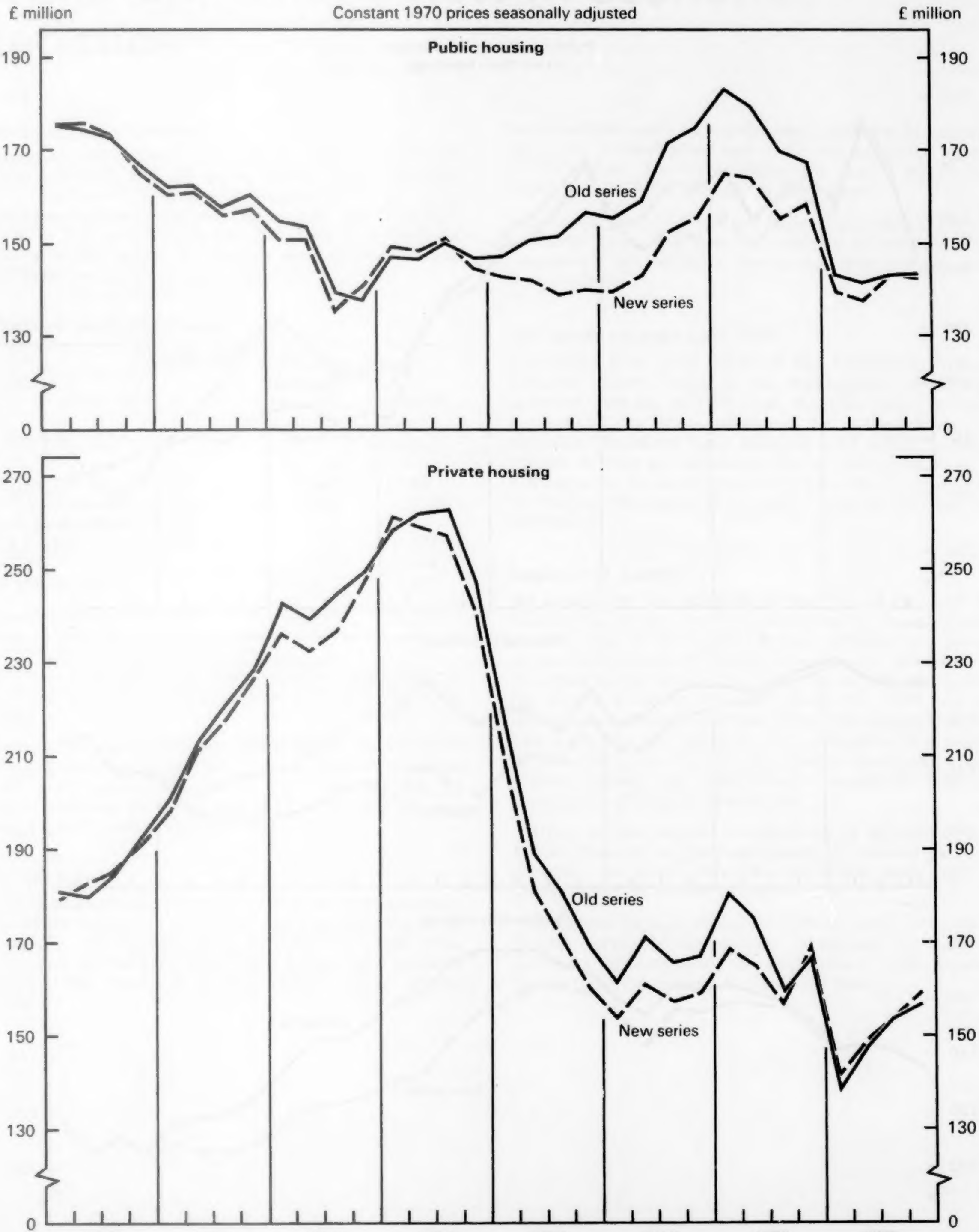
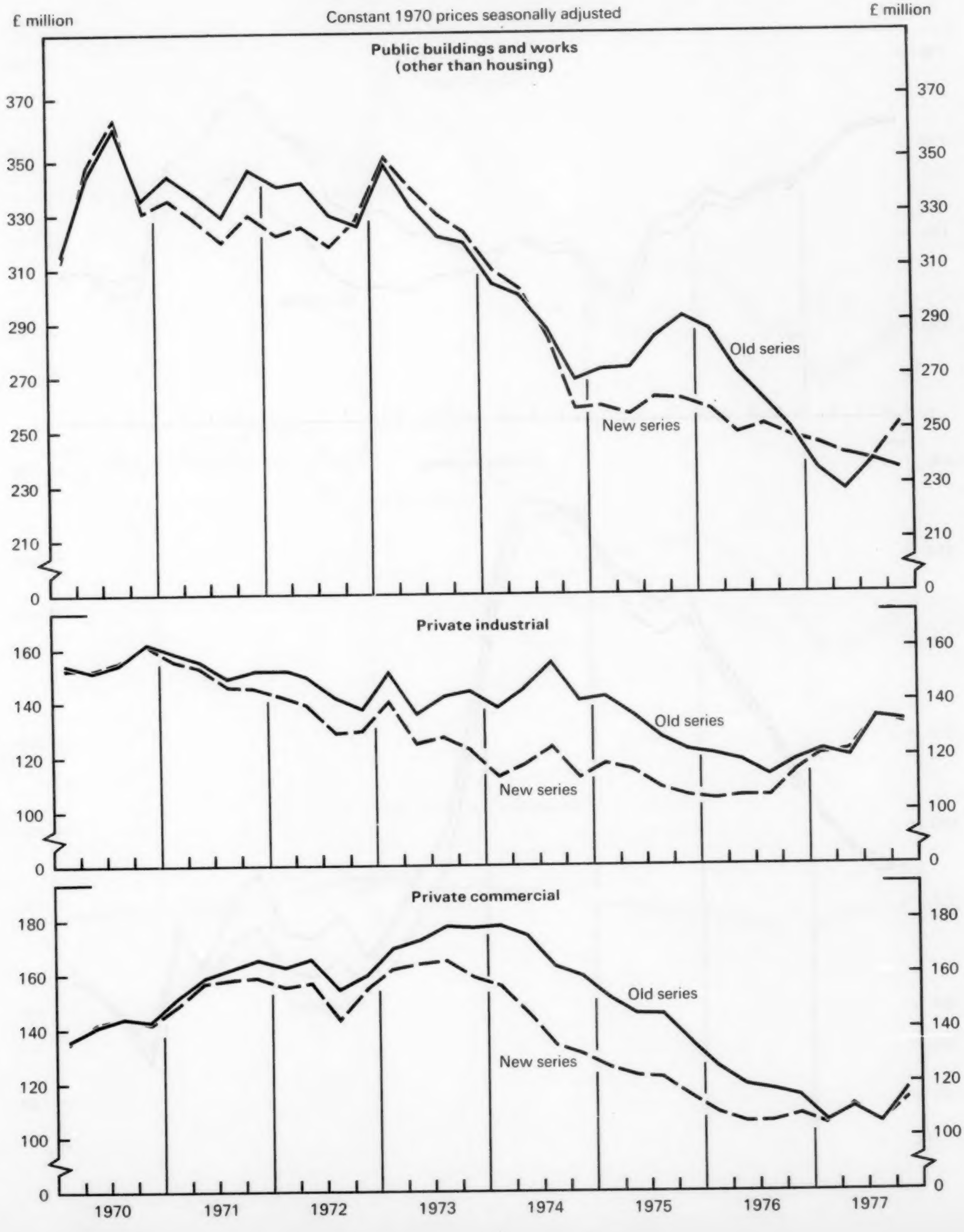


CHART 6

Construction output by all agencies

Constant 1970 prices seasonally adjusted



Round-up: what's new in economic statistics

Sector analysis of employment

Estimates of employment analysed by sector at mid-1977 are now available and are given below. These estimates bring forward to 1977 the main aggregates published in the article 'Employment analysed by sector and industry, 1971-76, in *Economic Trends* No. 290, December 1977. As explained in that article, the sectors used for the analysis are the same as in the national accounts.

Employment[1] analysed by sector

	United Kingdom: thousands	
	Mid-1976 (revised)	Mid-1977 (provisional)
Private sector[2]	17,444	17,491[3]
Public corporations	1,980	2,076[3]
Central government		
HM Forces	336	327
Civilians	1,979	1,978
Local authorities	3,022	2,995
Total employed labour force	24,761	24,877

[1] Part-time employees are counted as one person.

[2] Including self-employed persons (with or without employees).

[3] The increase in employment by public corporations between mid-1976 and mid-1977 was the result of the nationalisation of parts of the aerospace and shipbuilding industries. Employment by public corporations in existence at mid-1976 was reduced.

Estimates of these aggregates for the eleven years 1967-77 will be published in September in the Blue Book, *National Income and Expenditure 1967-77*. A cross-analysis by industry, updating the December 1977 article will be published later in *Economic Trends*.

Trade and Industry

An article in *Trade and Industry* for 30 June gives summary results of the inquiry to consumer credit grantors for 1976, conducted by the Business Statistics Office on behalf of the Departments of Industry, Trade and Prices and Consumer Protection. The results show that £1,835 million of new credit was advanced during the year, and the debt outstanding to the grantors at the end of the year amounted to some £3,100 million. The full results of the inquiry will be published in a Business Monitor in September.

The same issue of *Trade and Industry* presents the first in a quarterly series of articles summarising information about investment by insurance companies and private sector pension funds.

The British economy since 1945

The 100th issue (July 1978) of the Treasury's *Economic Progress Report* looks at the development of the UK economy over the past 30 years. Analysis over a period of this length can show which of the United Kingdom's economic problems have changed, and which problems remain. It gives an indication of how understanding of the UK economy has developed, and it provides an opportunity to measure the degree of economic progress that has been achieved.

Employment Gazette

An article on the working of the Equal Pay and Sex Discrimination Acts in 26 organisations by an independent research team at the London School of Economics appears in the current issue of *Employment Gazette*. Also featured is a study of the impact of rising prices on different types of household. It relates to the period 1970–1976 and uses information specially compiled from the Family Expenditure Survey to give separate price indicators for a number of different types of household, graded by income; income source ('retired' or 'non-retired'); household size; and occupation of head of household.

Other articles include examinations of legislation in the United States to outlaw employment discrimination on age grounds; the recent Jobcentre evaluation study; and the White Paper on Industrial Democracy.

Statistical features contained in this month's issue are the annual survey of occupations in engineering; quarterly estimates of employees in employment; and quarterly results from the Family Expenditure Survey.

Index of sources

Data given on page **5** may be more recent than that shown elsewhere in the publication.

United Kingdom balance of payments; National income and expenditure. In addition to the series indexed below, further detailed statistics are included in the regular quarterly articles (see inside back cover).

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Value	5,46		
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